Economic Indicators

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A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *October, 1982*

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Manganese Nodules

Manganese nodules are pea- to potato-sized nuggets containing manganese, nickel, copper, and other key metals that may become scarce for western nations. They are formed at the bottom of the ocean, but of the 130 million square miles of the earth's oceans, less than 200,000 square miles are considered prime areas where high-quality nodules occur.

Following the discovery over a decade ago of very rich deposits of nodules on the deep sea floor southeast of Hawaii, there has been much discussion locally of manganese nodule processing as a potential new industry for the Big Island. The discussions have usually linked the Big Island's chances of attracting the industry to the development of geothermal energy—geothermal energy could provide a power source for the processing plant, or, vice-versa, geothermal energy would never be developed without a major industrial user because the Big Island market is too small to use the amount of energy that a large geothermal plant could produce.

But a three-day conference on marine mining held by experts in Hilo this summer exploded the notion of this linkage. Raymond Jenkins, mining consultant to the State, said that a coal-fired generating plant would produce energy at one-third the cost of an oil-fired plant, or $2.50 per million BTU as against $7.50 per million BTU for oil. And geothermal energy would be about as costly as oil because it would be priced at the "avoided" cost of conventional power. (Federal law aimed at encouraging the development of alternate energy sources requires that public utilities pay the same price for power from nonfossil fuel that they would have had to pay for fossil fuel—in Hawaii's case, imported oil.) Jenkins said that a coal-fired generating plant could be located next to the processing plant and would be much more efficient. Besides being a cheaper fuel and readily available from Australia, Canada, or Columbia, coal can be handled by the same equipment that unloads the nodules and transports them to the processing plant, which would reduce handling costs materially.

Conrad Welling, senior vice president of Ocean Minerals Co., said the Big Island is a potential site for processing regardless of geothermal power. Hawaii's proximity to the best mining areas is important, the Big Island has the space and the harbors, and since Hawaii is part of the U.S. it would be a more desirable site than Canada or South America. But the industry would not want to locate here if there is no welcome by the community.

Hawaii's interest in being a part of this new industry is understandable. A single plant has the potential of generating more than $750 million in revenues annually, and all four major consortiums capable of getting into commercial operation have listed Hawaii as a potential processing site. A single plant could mean 800 more jobs in the state and personal income of $50 million a year. Since 1977 the State Administration has had a program to attract this industry to Hawaii, and the Hawaii County Administration has also made a great effort to interest the consortiums in Big Island sites.

More than $200 million have been spent on research and development of sea mining over the past two decades, and as a result there is a substantial pool of knowledge of the resource, how best to retrieve it from the ocean beds, and how to protect the environment during mining and processing. Ocean Minerals Co., one of the major consortiums that are developing technologies to mine the seabeds, has already spent $120 million for the design and construction of an experimental sea miner which has successfully gathered the nodules from depths of 15,000 feet. But the company estimates that it will have to spend another $200 million in research before it can begin building a prototype commercial vessel that will be ten times the size of the experimental craft. Then it will take an investment of $1 billion to $2 billion to build the full-scale ocean mining vessel and get into full operation. Hence commercial operation would be at least ten years away.

This timetable gives Hawaii time for careful preparation to attract the industry here and to air the question of possible industrial pollution problems. There is opposition in the community to the location of processing on the Big Island, due mainly to concerns about environmental pollution. But scientists told the conference that millions of dollars have and will be spent on research to cut the pollution factor to acceptable levels by the time commercial operation is ready to begin. Federal law prohibits commercial mining before January 1988, but a bigger constraint will be the time and cost involved in the design and building of a full-sized commercial mining vessel.

At this time it is uncertain what effect the Law of the Sea Treaty will have on the whole situation. Among other matters, the treaty will put rights to seabed mining under control of an International Seabed Authority. It is scheduled to be signed in Venezuela in December, but the U.S. refuses to sign, partly because the treaty requires that technologies already developed must be shared with Third World nations. But even though other nations have enough votes to adopt the treaty, it may take many years for all the signatory nations to ratify it. In that interim scientists hope some agreement can be worked out so that commercial mining can begin in an amicable manner. Without the technology for it, the Third World nations could do nothing with the rights to seabed mining.

First Hawaiian Bank

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business activity - hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	July	394,432p	7.0	10.2
	number	Jan.-July	2,488,244p	.....	8.1
Westbound	number	July	307,636p	9.0	11.8
	number	Jan.-July	1,919,467p	.....	9.8
Eastbound	number	July	86,796p	0.6	5.0
	number	Jan.-July	568,777p	.....	2.9
AVERAGE DAILY VISITOR CENSUS[1]	number	July	107,463	18.6	9.8
AVERAGE LENGTH OF STAY[1]	no. of days	July	10.8	12.5	−1.8
MEETINGS ATTENDANCE	number	July	4,950	−60.9	7.1
ORGANIZED GROUP TOURS	number	July	58,183	−1.7	4.3
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	July	141,941p	10.2	19.0
	number	Jan.-July	908,147p	.....	13.0
Hawaii	number	July	64,747p	11.2	7.3
	number	Jan.-July	392,191p	.....	2.5
Kauai	number	July	75,117p	5.2	8.2
	number	Jan.-July	445,522p	.....	3.1
VISITOR ACCOMMODATIONS					
STATE	number	June	59,357	2.4	5.1
Oahu	number	June	34,766	3.8	3.6
Waikiki	number	June	30,272	4.2	4.0
Maui (includes 11 on Lanai)	number	June	11,723	1.0	9.5
Molokai	number	June	555	0.0	3.0
Hawaii	number	June	7,106	−0.9	3.6
Kauai	number	June	5,207	1.2	7.8
HOTEL OCCUPANCY					
STATE	percent	July	71.2p	5.3	5.0
Oahu	percent	July	77.1p	2.3	5.2
Maui	percent	July	74.4p	10.2	13.8
Hawaii	percent	July	46.2p	23.2	−7.4
Kauai	percent	July	63.5p	3.8	−1.7
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	2nd Qtr. 1982	417,793	2.4	21.0
Military Payroll	mil. $	2nd Qtr. 1982	176,001	1.6	19.2
Civilian Payroll	mil. $	2nd Qtr. 1982	123,977	4.4	16.8
Local Purchases	mil. $	2nd Qtr. 1982	117,815	1.7	28.6
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan. 1-Aug. 28	598	.....	−16.4
N. Y. RAW SUGAR PRICE	$/ton	July	442.21	5.1	16.1
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-June	83.1	.....	8.0
FRESH	thous. lbs.	Jan.-July	161,080	.....	11.0
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	June	269.5	1.8	6.2
All Urban Consumers, All items	1967=100	June	269.5	2.2	6.6
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	July	596.0	5.5	1.9
GAS SALES	thous. therms	July	3,926	−3.6	1.1
TELEPHONES IN SERVICE	thous.	July	735	0.1	2.0

p = *preliminary.*
[1] *Estimated Westbound*
[2] *Gross taxable income valued at time of shipment.*
[3] *Compared to April, 1982.*

Personal Income

Hawaii's personal income performance in the first quarter of 1982 was the weakest for any quarter since the quarterly data series began in 1969. The increase in the first quarter was 0.4%, a rate of increase that if continued for a year would result in an annual increase of only 1.8%. The first quarter fell short of the increase in Honolulu consumer prices over the same period of 1.2% or 4.7% at an annual rate.

There were fifteen other states with smaller increases than Hawaii concentrated in the Southeast, Great Lakes, and Plains states. The average increase in personal income nationally was 1.0%, 4.2% at an annual rate.

The U.S. Department of Commerce, generator of the personal income series, prefers to look at changes in nonfarm personal income in tracking economic trends because of the erratic nature of farm income. On that basis, Hawaii's performance was even worse relative to the U.S. average, ranking sixth from the bottom among the 50 states, with non-farm income increasing 0.5% compared to an average 1.3% nationally. Hawaii drops considerably in the rankings when farm income is excluded from first quarter results, because of the considerable improvement the exclusion of farm income brings to many of the farm states, as nationally farm income plummeted 20% in the first quarter.

Income fell in many major sectors of the Hawaiian economy in the first quarter. The decline in construction was the biggest - a drop of 6% or $32 million. Mili-

business activity - hawaii [cont.]

series	unit	period	number	percent change: from preceding period	percent change: year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	June	108.1	−7.5	−27.1
	mil. $	Jan.-June	693.9	.....	−14.9
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Apr.	64,176	.....	−74.5
C&C of Honolulu	thous. $	Jan.-July	97,174	.....	−49.6
Maui County	thous. $	Jan.-Apr.	14,356	.....	76.7
Hawaii County	thous. $	Jan.-July	44,209	.....	−10.6
Kauai County	thous. $	Jan.-July	19,715	.....	−30.4
SINGLE FAMILY UNITS					
STATE	number	Jan.-Apr.	675	.....	−29.5
C&C of Honolulu	number	Jan.-July	219	.....	−55.1
Maui County	number	Jan.-Apr.	177	.....	7.3
Hawaii County	number	Jan.-July	476	.....	−26.0
Kauai County	number	Jan.-July	156	.....	−27.8
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Apr.	327	.....	−85.9
C&C of Honolulu	number	Jan.-July	1,323	.....	−26.8
Maui County	number	Jan.-Apr.	122	.....	−78.2
Hawaii County	number	Jan.-July	176	.....	8.6
Kauai County	number	Jan.-July	118	.....	0
NONRESIDENTIAL					
STATE	thous. $	Jan.-Apr.	75.017	.....	−44.6
C&C of Honolulu	thous. $	Jan.-July	147,661	.....	24.2
Maui County	thous. $	Jan.-Apr.	3,698	.....	−59.1
Hawaii County	thous. $	Jan.-July	8,317	.....	−83.1
Kauai County	thous. $	Jan.-July	8,958	.....	−34.1
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-July	241,567	.....	0.9
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-July	105,038	.....	100.4
STATE	thous. $	Jan.-July	99,437	.....	−24.0
COUNTY	thous. $	Jan.-July	37,091	.....	−33.9
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-July	178,527	.....	−12.1
Maui County	thous. $	Jan.-July	23,024	.....	226.7
Hawaii County	thous. $	Jan.-July	16,961	.....	12.9
Kauai County	thous. $	Jan.-July	23,055	.....	62.8
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	August	303.8	0.5	4.0
HIGH-RISE	1967=100	August	328.6	0.5	6.7
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	June	1,723.4	10.3	−10.3
	mil. $	Jan.-June	10,398.2	.....	−6.9
DIVERSIFIED MANUFACTURING	mil. $	June	44.6	14.6	−26.2
	mil. $	Jan.-June	299.8	.....	−12.0
DIVERSIFIED AGRICULTURE	mil. $	June	16.0	43.7	−27.3
	mil. $	Jan.-June	94.5	.....	−3.8
RETAILING	mil. $	June	631.2	0.2	−6.2
	mil. $	Jan.-June	3,806.9	.....	2.3
WHOLESALING	mil. $	June	438.9	43.1	−15.5
	mil. $	Jan.-June	2,479.7	.....	−23.6
SERVICES	mil. $	June	367.1	4.4	3.7
	mil. $	Jan.-June	2,312.0	.....	8.0
OAHU NEW CAR SALES	number	June	3,552	24.2	n.c.

n.c. = *not comparable.*
p = *preliminary.*

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	July 31	4,886.7	−1.6	11.2
Honolulu County	mil. $	July 31	4,062.5	−2.0	12.8
Maui County	mil. $	July 31	301.6	0.7	7.8
Hawaii County	mil. $	July 31	352.2	0.6	1.8
Kauai County	mil. $	July 31	170.4	−0.2	2.8
BANK DEMAND DEPOSITS					
STATE	mil. $	July 31	1,069.1	−4.1	−4.3
Honolulu County	mil. $	July 31	903.4	−4.6	−4.2
Maui County	mil. $	July 31	66.9	−4.0	−4.2
Hawaii County	mil. $	July 31	71.1	1.8	−3.9
Kauai County	mil. $	July 31	27.7	−0.8	−6.7
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	July	7,449.6	−8.6	−3.9
Honolulu County	mil. $	July	6,856.8	−9.2	−4.1
Maui County	mil. $	July	270.8	5.2	7.1
Hawaii County	mil. $	July	229.4	−8.2	−7.2
Kauai County	mil. $	July	92.6	−0.7	−7.3
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	July	81.88	−9.3	−0.4
Honolulu County	annual rate	July	88.93	−9.9	−1.1
Maui County	annual rate	July	47.55	3.3	10.7
Hawaii County	annual rate	July	39.08	−8.2	0.4
Kauai County	annual rate	July	39.99	−0.3	2.5
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous. $	July	98,745	10.3	1.4
	thous. $	Jan.-July	634,900	.....	−9.2
Honolulu County	thous. $	July	88,184	7.6	3.0
	thous. $	Jan.-July	570,371	.....	−7.1
Maui County	thous. $	July	4,422	28.7	24.7
	thous. $	Jan.-July	27,420	.....	−20.0
Hawaii County	thous. $	July	3,987	38.8	−35.7
	thous. $	Jan.-July	26,155	.....	−25.5
Kauai County	thous. $	July	2,151	71.5	8.7
	thous. $	Jan.-July	10,954	.....	−30.0

[1]*Excludes property taxes which were formerly collected by the State but are now collected by the Counties.*

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	July	458.3p	0.3	−0.1
Employment	thous.	July	423.4p	0.5	−2.3
Unemployment	thous.	July	34.9p	−1.3	38.5
Unemployment Rate	percent	July	7.6p	−1.3	38.2
C & C OF HONOLULU					
Civilian Labor Force	thous.	July	350.4p	0.0	−0.6
Employment	thous.	July	325.8p	0.1	−2.6
Unemployment	thous.	July	24.6p	−1.6	37.9
Unemployment Rate	percent	July	7.0p	−1.4	37.3
MAUI COUNTY					
Civilian Labor Force	thous.	July	42.7p	2.9	4.9
Employment	thous.	July	39.2p	2.8	2.3
Unemployment	thous.	July	3.5p	4.5	43.8
Unemployment Rate	percent	July	8.1p	1.3	37.3
HAWAII COUNTY					
Civilian Labor Force	thous.	July	44.4p	0.9	−0.6
Employment	thous.	July	39.4p	1.4	−4.1
Unemployment	thous.	July	5.0p	−2.9	40.3
Unemployment Rate	percent	July	11.3p	−4.2	39.5
KAUAI COUNTY					
Civilian Labor Force	thous.	July	20.8p	0	−0.7
Employment	thous.	July	18.9p	0.3	−3.1
Unemployment	thous.	July	1.9p	−5.1	32.1
Unemployment Rate	percent	July	9.0p	−2.2	34.3
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE	thous.	July	449.0p	0.9	−0.7
SUGAR (mill and field)	thous.	July	8.8p	2.3	−7.4
PINEAPPLE (cannery and field)	thous.	July	8.9p	14.8	−5.8
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	July	15.8p	1.0	−3.1
Durable Goods	thous.	July	4.2p	−1.2	−4.5
Non Durable Goods	thous.	July	11.6p	1.7	−2.5
Apparel and Textiles	thous.	July	2.9p	−1.7	−1.7
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed)	thous.	July	8.6p	7.5	0.6
CONTRACT CONSTRUCTION	thous.	July	18.9p	0.5	−16.6
TRANSPORTATION	thous.	July	20.4p	−1.7	−6.0
COMMUNICATION	thous.	July	7.3p	0	−1.4
UTILITIES	thous.	July	2.6p	0	−1.9
RETAIL TRADE	thous.	July	88.2p	1.1	0.9
WHOLESALE TRADE	thous.	July	18.0p	−0.6	−3.2
FINANCE, INSURANCE AND REAL ESTATE	thous.	July	32.2p	0.3	−0.6
HOTEL SERVICES-STATE	thous.	July	25.8p	−1.3	7.3
Honolulu County	thous.	July	14.6p	−1.3	3.5
Maui County	thous.	July	5.9p	−1.7	20.4
Hawaii County	thous.	July	3.0p	0	1.7
Kauai County	thous.	July	2.3p	−2.2	12.5
OTHER SERVICES	thous.	July	75.8p	0.1	−1.2
FEDERAL GOVERNMENT	thous.	July	31.8p	0.3	4.4
Civilian Agencies	thous.	July	11.2p	0.5	1.4
Defense Department	thous.	July	20.7p	0	5.9
STATE GOVERNMENT	thous.	July	42.6p	−7.0	0.9
COUNTY GOVERNMENT	thous.	July	16.2p	28.7	−3.9
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	July	14.29p	0.5	10.7
Average Weekly Hours	hours	July	37.3p	18.4	−2.4
MANUFACTURING					
Average Hourly Earnings	dollars	July	7.68p	−2.2	7.9
Average Weekly Hours	hours	July	38.6p	5.2	5.2
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	July	11.20p	1.3	10.5
Average Weekly Hours	hours	July	42.9p	−1.8	−1.2
TRADE					
Average Hourly Earnings	dollars	July	6.40p	−2.0	6.8
Average Weekly Hours	hours	July	33.4p	−0.9	−0.6
FINANCE					
Average Weekly Earnings	dollars	July	217.91p	−0.6	5.6
HOTELS					
Average Hourly Earnings	dollars	July	6.48p	−3.6	6.2
Average Weekly Hours	hours	July	32.4p	−0.9	0.6

p = *preliminary.*

tary payroll dropped back $27 million, a decline of 2.6% following the hefty $139 million or 15.4% increase in last year's fourth quarter. Farming, retail trade, and non-durable goods manufacturing lost $9 million each in employment income. There was a $5 million loss in the transportation and utilities sector. And income in wholesale trade dropped back $1 million.

Increases totaling $78 million were recorded in durable goods manufacturing, in the finance, insurance and real estate sector, in services, and in the federal civilian and state and local government sectors, although these increases weren't sufficient to cover the $93 million in declines recorded in other industries.

Helping to bring the change in personal income out of negative territory was the dividends, interest, and rent component which continued strong increasing 2.7%, 11.3% at an annual rate, a somewhat slower pace than in preceding quarters but then the increase in interest rates had begun to ease.

The other positive contributor was transfer payments. Most noteworthy was the gain in unemployment insurance (U.I.) benefits which jumped a whopping 21.3% in the first quarter, a result of the temporary layoff of sugar workers who qualified for U.I. Monthly data from the State Department of Labor show U.I. distributions back to more normal levels in May.

Construction

Permit approvals for new private construction on Oahu soared in July to $117.8 million, more than four times

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	July	12,176	−18.0	3.6
INTRASTATE INITIAL CLAIMS	number	July	6,403	−12.6	2.1
INTERSTATE INITIAL CLAIMS	number	July	480	25.7	10.1
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	July	5,976	−13.8	9.8
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	July	65,063	0.3	−10.3
Services	no./cases	2nd Qtr. 1982	6,719	−3.5	−46.3
Medical	no./patients	July	53,434	16.8	2.9
Food Stamps	no./persons	July	97,374	0.8	−6.6
PAYMENTS					
Income Maintenance	thous. $	July	9,013	0.6	−7.6
Services	thous. $	2nd Qtr. 1982	n.a.	.....	.....
Medical	thous. $	July	14,247	24.5	13.3
Food Stamps	thous. $	July	5,671	1.1	−6.7

n.a. = *not available.*
[1]*Count of recipients is duplicated. A person may be counted in each category.*

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	number	July 1, 1981	1,066,000p	.....	1.3
TOTAL RESIDENT—STATE	number	July 1, 1981	981,000p	.....	.....
C & C of Honolulu	number	April 1, 1980	762,565	.....	.....
Maui County	number	April 1, 1980	70,991	.....	.....
Hawaii County	number	April 1, 1980	92,053	.....	.....
Kauai County	number	April 1, 1980	39,082	.....	.....
CIVILIAN RESIDENT—STATE	number	July 1, 1981	924,000	.....	1.4
MILITARY PERSONNEL—STATE	number	July 1, 1981	61,521	.....	0.8*
Ashore	number	July 1, 1981	46,255	.....	−5.2*
Afloat	number	July 1, 1981	15,266	.....	25.1*
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1981	64,344	.....	0.5*
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 8/82	6,902	.....	8.5
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	1st Qtr. 1982	11,432	0.4	9.6
Employment Income[2]	mil. $	1st Qtr. 1982	8,658	−0.2	8.1
Manufacturing	mil. $	1st Qtr. 1982	466	−1.3	7.9
Construction & Mining[3]	mil. $	1st Qtr. 1982	502	−6.0	−13.1
Wholesale	mil. $	1st Qtr. 1982	382	−0.3	6.4
Retail	mil. $	1st Qtr. 1982	984	−0.9	5.5
Finance, Ins. & Real Estate	mil. $	1st Qtr. 1982	612	1.2	3.9
Trans., Comm., & Util.	mil. $	1st Qtr. 1982	801	−0.6	11.7
Services	mil. $	1st Qtr. 1982	1,833	1.8	11.9
Farm & Other[4]	mil. $	1st Qtr. 1982	224	−3.9	6.2
Federal Civilian	mil. $	1st Qtr. 1982	798	2.0	10.7
Federal Military	mil. $	1st Qtr. 1982	1,013	−2.6	18.8
State & Local	mil. $	1st Qtr. 1982	1,003	2.0	6.7
Property Income (Dividends, Interest, Rent)	mil. $	1st Qtr. 1982	1,856	2.7	15.9
Transfer Payments (1,467) minus Personal Contributions For Social Ins. (549)	mil. $	1st Qtr. 1982	918	1.8	12.5
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1981	11,036r	.....	8.2
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1980	10,492	.....	11.2
Maui County	dollars	1980	8,871	.....	10.4
Hawaii County	dollars	1980	8,400	.....	9.6
Kauai County	dollars	1980	8,472	.....	10.4

p = *preliminary.*
r = *revised.*
**Compared to April 1, 1980.*
***Total personal income and all components are seasonally adjusted at annual rates.*
[1]*These immigration statistics include only those entering Honolulu ports and do not include status changes.*
[2]*Includes wage and salary disbursements, proprietors' income, and other labor income.*
[3]*Income from mining not shown to avoid disclosure of confidential information.*
[4]*Income from agricultural services, forestry, fisheries and other not shown to avoid disclosure of confidential information.*

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967=100	July	129.8p	1.3	−3.7
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	2nd Qtr. 1982	3,041.2r	1.5	4.8
In 1972 Dollars	bil. $	2nd Qtr. 1982	1,475.3r	0.3	−1.8
PERSONAL INCOME**	bil. $	July	2,592.3p	1.0	6.4
RETAIL SALES*	mil. $	July	88,723p	1.0	1.6
INDUSTRIAL PRODUCTION*	1967=100	July	138.1p	−0.1	−10.2
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	June	51,243.0	2.3	10.2
TURNOVER OF DEMAND DEPOSITS**	annual rate	June	208.6	3.3	12.3
BANK LOANS*	bil. $	July	1,023.7p	0.7	6.2
AVERAGE PRIME RATE CHARGED BY BANKS	percent	August	14.39	−11.5	−29.8
CONSUMER INSTALLMENT DEBT*	mil. $	June	332,509	0.4	4.4
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	June	230.7p	1.3	−2.9
CONSTRUCTION COST INDEXES					
Residences	1967=100	May	316.3	2.1[1]	8.7
Apts, Hotel, Office Bldgs	1967=100	May	322.0	2.1[1]	10.1
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	July	99,732	−0.0	−1.1
UNEMPLOYMENT*	thous.	July	10,790	3.5	37.9
UNEMPLOYMENT RATE*	percent	July	9.8	3.2	36.1
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	July	291.8	0.6	6.3
All Urban Consumers	1967=100	July	292.2	0.6	6.5
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	July	281.3	0.6	3.7
All Commodities	1967=100	July	300.6	0.4	1.5

p = *preliminary.*
[1]*Compared to March, 1982.*
**Seasonally adjusted.*
***Seasonally adjusted at annual rates.*

the volume of approvals recorded in either the preceding month or in the same month the year before. It was the largest volume of approvals on Oahu since April 1981 when permits totaled $140.3 million as many developers rushed to obtain permits before the imposition of a building moratorium in the Salt Lake area.

This latest bulge in Oahu permits was also the result of a rush to beat a deadline before new zoning regulations were imposed. In this case, all new developments in the Honolulu and Ewa areas of Oahu will now have to conform to zoning as set forth in the recently adopted Development Plans for these two areas.

There were two large projects issued permits in July that came in under the old zoning. One, with a permit value of $31.9 million, was the Century Park Plaza, an 812-unit condominium project that will go up close to Leeward College in Pearl City. The other, valued at $20 million, was the Ala Moana Trade Center, a 41-story office condominium project of Ala Moana Hawaii Properties planned for the corner of Piikoi and Kona streets.

Another big project to show up among the July permits was 1001 Bishop. This is the 28-story office tower coming up downtown on the site of the old Alexander Young Building on which construction commenced last year. Apparently, special permission had been granted to start construction early before obtaining a permit.

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

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A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *November, 1982*

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Comments on Inflation, Interest Rates, the Recession, Monetary Policy, and Fiscal Policy

The economic news of late has been very confusing.

Inflation has slowed down to mid-single-digit figures—around 5 percent.

The prime rate of interest has dropped from 17 percent last spring to 12 percent.

The stock market is booming.

The recession is getting deeper and deeper with unemployment rates, bankruptcies, and foreclosures the highest since the Great Depression of the 1930s.

The bond market is booming.

Short-term interest rates have dropped about one-third.

Long-term interest rates are staying high compared to short-term rates.

The value of the dollar in foreign exchange markets has strengthened dramatically.

The casual reader of the newspaper can be excused for asking himself: What in the hell is going on? In the next few hundred words we will do our best to answer that question.

The big picture, as we see it, is disclosed by 1) the nation's monetary policy with the key actors being the Board of Governors of the Federal Reserve System and 2) the nation's fiscal policy with the key actors being the President and the Congress.

The monetary policy of the country is basically determined by the Fed because it can control the money supply of the nation—putting more money in circulation to lower interest rates and expand the economy, or pulling money out of circulation to raise interest rates and contract the economy.

The fiscal policy of the country is basically determined by the federal budget, which is a joint effort of the President and the Congress. The federal budget can be in deficit, which means the government is pumping money into the economy by spending more than it takes in or it can be balanced or in surplus, which means that the budget is either neutral or is actually a contractionary force in the economy.

In a nutshell, the diverse and contradictory movements of the various economic indicators listed above is the result of our having a contractionary monetary policy at the same time we have had an expansionary fiscal policy.

Exactly three years ago, in October 1979, the Fed decided that inflation—which in America had been at either high or extremely high levels for the last fifteen years—had to be brought to a halt or else the American economy in time would find itself in a state of extremely serious collapse. It therefore embarked on a very tight and restrictive monetary policy. Except for a slight loosening last summer and an announcement the other day that it was going to loosen this policy considerably more, it has stuck with this policy ever since—and that policy is primarily responsible for the very high interest rates we have had for the last three years and for the prolonged and deep recession. But we can credit that policy with starting to achieve its prime goal—cutting down the rate of inflation from high double-digit figures to around 5 percent during the last year. With the lowering of the inflation rate and with very high interest rates, the value of the dollar abroad strengthened and gold prices weakened considerably. The Federal Reserve's modest loosening of monetary policy, together with the lower inflation rate, has now brought short-term rates down considerably.

But during these last three years that the Fed has been following a tight and contractionary monetary policy in its fight against inflation, the Presidents (Carter and Reagan) and the Congress have been cooperating in a very expansionary fiscal policy. In the last two years a combination of the biggest tax cut in history and the biggest spending program in history (with main emphasis on military rather than social spending) has resulted in the biggest federal deficits in history—with an anticipation of even bigger deficits in the years ahead. To the financial community, this means that the seeds of a rampant future inflation are being sown right now, and they will be cultured and nourished by each successive budget deficit in the years ahead. This means that there is a common anticipation that inflation, and with it interest rates, will be very high in the future and no one wants to commit long-term money at today's lower short-term interest rates. So long-term rates remain high.

It is one thing to describe what is going on but quite another thing to offer a prescription that will put things right. To those who are responsible for monetary and fiscal policy—economic policy, that is—the problem is to decide who your enemy is: Is it recession or is it inflation? One fights inflation with a restrictive monetary and fiscal policy. One fights recession with an expansionary monetary and fiscal policy. What the country has had for the last three years has been a restrictive monetary policy and an expansionary fiscal policy. The economic news has therefore been confusing, because our national economic policy has been conflicting.

With the Fed's announcement that it is easing up on its tight money policy, we can probably look forward to a more rapid economic recovery from the recession than would otherwise have been the case, but we can also probably look forward to a renewal of the inflation that three years of tight money policy had slowed down so considerably.

First Hawaiian Bank

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business activity - hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	August	403,608p	2.3	2.4
	number	Jan.-Aug.	2,891,852p	.....	7.3
Westbound	number	August	313,238p	1.8	1.4
	number	Jan.-Aug.	2,232,705p	.....	8.5
Eastbound	number	August	90,370p	4.1	6.1
	number	Jan.-Aug.	659,147p	.....	3.3
AVERAGE DAILY VISITOR CENSUS[1]	number	August	107,193p	−0.3	1.8
AVERAGE LENGTH OF STAY[1]	no. of days	August	10.6	−1.9	0
MEETINGS ATTENDANCE	number	August	11,180	125.9	−60.3
ORGANIZED GROUP TOURS	number	August	56,100	−3.6	−27.7
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	August	138,740	−2.3	4.2
	number	Jan.-Aug.	1,046,887	.....	11.8
Hawaii	number	August	57,609	−11.0	−7.9
	number	Jan.-Aug.	449,800	.....	1.0
Kauai	number	August	68,288	−9.1	−6.7
	number	Jan.-Aug.	513,810	.....	1.7
VISITOR ACCOMMODATIONS					
STATE	number	June	59,357	2.4	5.1
Oahu	number	June	34,766	3.8	3.6
Waikiki	number	June	30,272	4.2	4.0
Maui (includes 11 on Lanai)	number	June	11,723	1.0	9.5
Molokai	number	June	555	0.0	3.0
Hawaii	number	June	7,106	−0.9	3.6
Kauai	number	June	5,207	1.2	7.8
HOTEL OCCUPANCY					
STATE	percent	August	74.1	4.1	−1.5
Oahu	percent	August	80.7	4.7	−1.9
Maui	percent	August	74.0	−0.5	−3.9
Hawaii	percent	August	55.8	20.8	10.5
Kauai	percent	August	61.2	−3.6	6.6
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	2nd Qtr. 1982	417,793	2.4	21.0
Military Payroll	mil. $	2nd Qtr. 1982	176,001	1.6	19.2
Civilian Payroll	mil. $	2nd Qtr. 1982	123,977	4.4	16.8
Local Purchases	mil. $	2nd Qtr. 1982	117,815	1.7	28.6
SUGAR					
SUGAR PRODUCTION	thous. tons.	Jan. 1-Oct. 2	735	.....	−13.6
N. Y. RAW SUGAR PRICE	$/ton	September	419.23	−6.6	35.8
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-July	93.1	.....	−6.7
FRESH	thous. lbs.	Jan.-Aug.	181,845	.....	13.9
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	August	270.1	0.2[3]	5.3
All Urban Consumers, All items	1967=100	August	269.9	0.1[3]	5.2
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	August	602.1	1.0	1.3
GAS SALES	thous. therms	August	3,890	−0.9	0.2
TELEPHONES IN SERVICE	thous.	August	736,737	0.3	2.0

p = *preliminary.*
[1] *Estimated Westbound.*
[2] *Gross taxable income valued at time of shipment.*
[3] *Compared to June, 1982.*

Business Activity

Gross business receipts, the best measure we have of the level of business activity locally, is down significantly this year. Through July receipts totalled $12.3 billion, 4.8% less than during the same period in 1981. The July figure, which increased 9%, improved the picture somewhat for 1982 but shouldn't be interpreted as indicating an upturn in business activity because considerable distortion can occur in the data for individual months.

There was a substantial increase in visitors in July, the result of extraordinarily low air fares that were introduced that month for travel from the West Coast, as two new discount airlines entered the Hawaii market. The pickup in visitors must have accounted for part

business activity - hawaii [cont.]

series	unit	period	number	percent change: from preceding period	percent change: year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	July	126.5	17.0	−8.8
	mil. $	Jan.-July	820.4	.....	−14.0
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-June	125,592	.....	−60.6
C&C of Honolulu	thous. $	Jan.-Aug.	113,395	.....	−43.5
Maui County	thous. $	Jan.-June	21,190	.....	−76.1
Hawaii County	thous. $	Jan.-Aug.	47,832	.....	−12.5
Kauai County	thous. $	Jan.-Aug.	21,087	.....	−31.8
SINGLE FAMILY UNITS					
STATE	number	Jan.-June	992	.....	−28.2
C&C of Honolulu	number	Jan.-Aug.	321	.....	−42.0
Maui County	number	Jan.-June	269	.....	17.5
Hawaii County	number	Jan.-Aug.	541	.....	−26.3
Kauai County	number	Jan.-Aug.	170	.....	−27.7
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-June	511	.....	−81.7
C&C of Honolulu	number	Jan.-Aug.	1,478	.....	−18.2
Maui County	number	Jan.-June	122	.....	−86.5
Hawaii County	number	Jan.-Aug.	195	.....	8.3
Kauai County	number	Jan.-Aug.	118	.....	0
NONRESIDENTIAL					
STATE	thous. $	Jan.-June	103,391	.....	−42.0
C&C of Honolulu	thous. $	Jan.-Aug.	163,658	.....	4.9
Maui County	thous. $	Jan.-June	5,794	.....	−67.7
Hawaii County	thous. $	Jan.-Aug.	8,830	.....	−82.7
Kauai County	thous. $	Jan.-Aug.	13,159	.....	−18.0
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Sept.	299,148	.....	21.7
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Sept.	105,473	.....	97.5
STATE	thous. $	Jan.-Sept.	146,261	.....	8.1
COUNTY	thous. $	Jan.-Sept.	47,414	.....	−16.9
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Sept.	220,263	.....	5.6
Maui County	thous. $	Jan.-Sept.	35,771	.....	386.9
Hawaii County	thous. $	Jan.-Sept.	19,301	.....	23.8
Kauai County	thous. $	Jan.-Sept.	23,812	.....	67.0
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	September	310.4	2.2	4.5
HIGH-RISE	1967=100	September	339.1	3.2	7.9
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	July	1,853.5	7.6	9.0
	mil. $	Jan.-July	12,251.7	.....	−4.8
DIVERSIFIED MANUFACTURING	mil. $	July	50.6	13.4	−3.8
	mil. $	Jan.-July	350.4	.....	−10.9
DIVERSIFIED AGRICULTURE	mil. $	July	13.7	−14.6	11.0
	mil. $	Jan.-July	108.2	.....	−2.2
RETAILING	mil. $	July	673.4	6.7	12.7
	mil. $	Jan.-July	4,480.3	.....	3.7
WHOLESALING	mil. $	July	475.7	8.4	4.0
	mil. $	Jan.-July	2,955.5	.....	−20.2
SERVICES	mil. $	July	391.0	6.5	25.4
	mil. $	Jan.-July	2,703.0	.....	10.2
OAHU NEW CAR SALES	number	July	2,416	−32.7	n.c.

n.c. = *not comparable.*

of the increase in gross business receipts in July, but probably a greater part of the increase was due to carry-over from June as many of the taxes on June sales which were due in July probably fell into August collections as July 31, the due date on June sales, fell on a weekend.

Had it not been for the big falloff in wholesaling, the change in gross business receipts would be positive this year, although the increase would be slight. Wholesaling receipts through July totalled $750 million less than last year, a whopping decline of 20%. Lower oil prices are probably the major reason for the decline. The depressed construction business cutting into the construction materials business is probably the other major factor.

But there are other business sectors besides whole-

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	August 31	4,971.1	1.7	9.6
Honolulu County	mil. $	August 31	4,119.1	1.4	10.7
Maui County	mil. $	August 31	313.6	4.0	8.4
Hawaii County	mil. $	August 31	361.5	2.6	2.3
Kauai County	mil. $	August 31	176.9	3.8	3.2
BANK DEMAND DEPOSITS					
STATE	mil. $	August 31	1,100.3	2.9	−0.6
Honolulu County	mil. $	August 31	917.6	1.6	−1.6
Maui County	mil. $	August 31	82.4	23.1	17.2
Hawaii County	mil. $	August 31	71.6	0.8	−3.0
Kauai County	mil. $	August 31	28.7	3.8	−6.3
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	August	7,802.8	4.7	5.4
Honolulu County	mil. $	August	7,171.4	4.6	5.2
Maui County	mil. $	August	273.9	1.1	7.5
Hawaii County	mil. $	August	250.3	9.1	7.4
Kauai County	mil. $	August	107.2	15.8	10.0
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	August	86.32	5.4	8.0
Honolulu County	annual rate	August	94.52	6.3	8.3
Maui County	annual rate	August	44.02	−7.4	0.9
Hawaii County	annual rate	August	42.10	7.7	11.3
Kauai County	annual rate	August	45.60	14.0	17.7
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous. $	August	103,950	5.3	8.8
	thous. $	Jan.-Aug.	738,850	.....	−7.0
Honolulu County	thous. $	August	91,660	3.9	7.6
	thous. $	Jan.-Aug.	662,031	.....	−5.3
Maui County	thous. $	August	5,233	18.3	14.1
	thous. $	Jan.-Aug.	32,652	.....	−15.9
Hawaii County	thous. $	August	5,116	28.3	26.2
	thous. $	Jan.-Aug.	31,272	.....	−20.1
Kauai County	thous. $	August	1,941	9.8	14.2
	thous. $	Jan.-Aug.	12,894	.....	−25.6

[1]*Excludes property taxes which were formerly collected by the State but are now collected by the Counties.*

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	August	455.4p	−0.6	0.3
Employment	thous.	August	420.8p	−0.6	−2.1
Unemployment	thous.	August	34.7p	−0.7	40.9
Unemployment Rate	percent	August	7.6	0	40.7
C & C OF HONOLULU					
Civilian Labor Force	thous.	August	347.7p	−0.8	−0.4
Employment	thous.	August	323.5p	−0.7	−2.4
Unemployment	thous.	August	24.2p	−1.2	38.2
Unemployment Rate	percent	August	7.0p	0	40.0
MAUI COUNTY					
Civilian Labor Force	thous.	August	42.6p	−0.2	5.6
Employment	thous.	August	39.0p	−0.5	2.8
Unemployment	thous.	August	3.6p	4.3	50.0
Unemployment Rate	percent	August	8.4p	3.7	40.0
HAWAII COUNTY					
Civilian Labor Force	thous.	August	44.2p	−0.4	0.6
Employment	thous.	August	39.3p	−0.4	−3.4
Unemployment	thous.	August	5.0p	−1.0	49.3
Unemployment Rate	percent	August	11.3p	0	48.7
KAUAI COUNTY					
Civilian Labor Force	thous.	August	20.9p	0.2	−0.2
Employment	thous.	August	19.0p	0.3	3.1
Unemployment	thous.	August	1.8p	0	42.3
Unemployment Rate	percent	August	8.8p	2.2	41.9
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE	thous.	August	447.4p	−0.4	−0.3
SUGAR (mill and field)	thous.	August	8.6p	−1.1	−8.5
PINEAPPLE (cannery and field)	thous.	August	8.3p	−6.7	13.7
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	August	15.8p	−0.3	−2.5
Durable Goods	thous.	August	4.2p	0	−5.6
Non-Durable Goods	thous.	August	11.6p	0	−0.9
Apparel and Textiles	thous.	August	2.8p	−1.8	−5.1
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed)	thous.	August	8.5p	−0.6	0
CONTRACT CONSTRUCTION	thous.	August	18.5p	−2.1	−17.0
TRANSPORTATION	thous.	August	20.5p	0.7	−4.4
COMMUNICATION	thous.	August	7.3p	0	−0.7
UTILITIES	thous.	August	2.6p	0	−1.9
RETAIL TRADE	thous.	August	87.5p	−0.6	1.0
WHOLESALE TRADE	thous.	August	18.0p	−0.6	−2.4
FINANCE, INSURANCE AND REAL ESTATE	thous.	August	32.2p	−0.2	−0.2
HOTEL SERVICES-STATE	thous.	August	25.9p	0.6	5.9
Honolulu County	thous.	August	14.9p	1.7	3.5
Maui County	thous.	August	5.8p	−0.8	15.8
Hawaii County	thous.	August	3.0p	0	−1.7
Kauai County	thous.	August	2.3p	0	9.8
OTHER SERVICES	thous.	August	75.4p	−0.7	−1.1
FEDERAL GOVERNMENT	thous.	August	32.0p	0.3	4.4
Civilian Agencies	thous.	August	11.3p	1.8	4.6
Defense Department	thous.	August	20.6p	−0.2	4.3
STATE GOVERNMENT	thous.	August	42.7p	0.4	1.4
COUNTY GOVERNMENT	thous.	August	16.5p	1.9	−4.9
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	August	14.23p	−0.4	11.0
Average Weekly Hours	hours	August	37.6p	0.8	−1.6
MANUFACTURING					
Average Hourly Earnings	dollars	August	7.69p	0.1	1.7
Average Weekly Hours	hours	August	37.6p	−2.6	−1.6
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	August	11.26p	0.5	11.2
Average Weekly Hours	hours	August	43.7p	1.9	1.2
TRADE					
Average Hourly Earnings	dollars	August	6.47p	1.1	5.4
Average Weekly Hours	hours	August	34.2p	2.4	2.1
FINANCE					
Average Weekly Earnings	dollars	August	241.04p	10.6	9.6
HOTELS					
Average Hourly Earnings	dollars	August	6.22p	−4.0	7.6
Average Weekly Hours	hours	August	33.1p	2.2	0.3

p=*preliminary.*

saling that have been set back this year. The construction business was down 14% or $133 million through July. Diversified manufacturing was down $43 million or 10.9%. The value of sugar processing declined 35%, the value of processed pineapple dropped back 6.1%, and diversified agriculture was down 2.2%.

The strongest sectors were those supported directly by the consumer, retailing and services, up 3.7% and 10.2% respectively.

Government Contracts

Public works projects are helping to prop up the Hawaii construction industry, an industry terribly depressed by the plunge in private sector building. The value of private building permits through August of this year plummeted 36%, following a 34% falloff last year.

Through September the value of contracts awarded by all levels of government totalled $299 million, 22% more than in the same period in 1981. The increase was almost entirely attributable to the federal government sector where the value of contracts close to doubled. State projects were up 8% through September, whereas County projects dropped by about 17%. There have been increases in the volume of government contracts in all counties this year but the biggest increases have occurred in the Neighbor Island counties. Government contracts in Maui County increased almost five-fold through September. The increase for Kauai was 67%, and for the Big Island was 24%. Oahu's 5.6% increase was much less impressive.

Large federal projects, accounting for two-thirds of total federal contracts let through September, included the Barbers Point deep

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	August	14,191	16.5	12.0
INTRASTATE INITIAL CLAIMS	number	August	5,896	−7.9	1.3
INTERSTATE INITIAL CLAIMS	number	August	439	−8.5	18.6
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	August	6,715	12.4	16.1
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	August	65,142	0.1	−9.8
Services	no./cases	2nd Qtr. 1982	6,719	−3.5	−46.3
Medical	no./patients	August	46,860	−12.3	−2.5
Food Stamps	no./persons	August	98,290	0.9	−7.1
PAYMENTS					
Income Maintenance	thous. $	August	9,024	0.1	−6.8
Services	thous. $	2nd Qtr. 1982	3,465	−1.5	−37.6
Medical	thous. $	August	11,607	−18.5	7.3
Food Stamps	thous. $	August	5,724	0.9	−5.5

[1]*Count of recipients is duplicated. A person may be counted in each category.*

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	number	July 1, 1981	1,066,000p	.....	1.3
TOTAL RESIDENT—STATE	number	July 1, 1981	981,000p	.....	1.2
C & C of Honolulu	number	April 1, 1980	762,565	.....	.....
Maui County	number	April 1, 1980	70,991	.....	.....
Hawaii County	number	April 1, 1980	92,053	.....	.....
Kauai County	number	April 1, 1980	39,082	.....	.....
CIVILIAN RESIDENT—STATE	number	July 1, 1981	924,000	.....	1.4
MILITARY PERSONNEL—STATE	number	July 1, 1982	61,107	.....	−0.7
Ashore	number	July 1, 1982	54,184	.....	17.1
Afloat	number	July 1, 1982	6,923	.....	−54.7
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1982	66,709	.....	3.7
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 9/82	6,890	.....	7.2
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	1st Qtr. 1982	11,432	0.4	9.6
Employment Income[2]	mil. $	1st Qtr. 1982	8,658	−0.2	8.1
Manufacturing	mil. $	1st Qtr. 1982	466	−1.3	7.9
Construction & Mining[3]	mil. $	1st Qtr. 1982	502	−6.0	−13.1
Wholesale	mil. $	1st Qtr. 1982	382	−0.3	6.4
Retail	mil. $	1st Qtr. 1982	984	−0.9	5.5
Finance, Ins. & Real Estate	mil. $	1st Qtr. 1982	612	1.2	3.9
Trans., Comm., & Util.	mil. $	1st Qtr. 1982	801	−0.6	11.7
Services	mil. $	1st Qtr. 1982	1,833	1.8	11.9
Farm & Other[4]	mil. $	1st Qtr. 1982	224	−3.9	6.2
Federal Civilian	mil. $	1st Qtr. 1982	798	2.0	10.7
Federal Military	mil. $	1st Qtr. 1982	1,013	−2.6	18.8
State & Local	mil. $	1st Qtr. 1982	1,003	2.0	6.7
Property Income (Dividends, Interest, Rent)	mil. $	1st Qtr. 1982	1,856	2.7	15.9
Transfer Payments (1,467) minus Personal Contributions For Social Ins. (549)	mil. $	1st Qtr. 1982	918	1.8	12.5
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1981	11,036r	.....	8.2
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1980	10,492	.....	11.2
Maui County	dollars	1980	8,871	.....	10.4
Hawaii County	dollars	1980	8,400	.....	9.6
Kauai County	dollars	1980	8,472	.....	10.4

p=*preliminary.*
r=*revised.*
*=*Compared to April 1, 1980.*
**=*Total personal income and all components are seasonally adjusted at annual rates.*
[1]*These immigration statistics include only those entering Honolulu ports and do not include status changes.*
[2]*Includes wage and salary disbursements, proprietors' income, and other labor income.*
[3]*Income from mining not shown to avoid disclosure of confidential information.*
[4]*Income from agricultural services, forestry, fisheries and other not shown to avoid disclosure of confidential information.*

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967=100	August	128.6p	−0.9	−4.1
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	2nd Qtr. 1982	3,045.2r	1.7	4.9
In 1972 Dollars	bil. $	2nd Qtr. 1982	1,478.4r	0.5	−1.6
PERSONAL INCOME**	bil. $	August	2,601.0p	0.3	5.7
RETAIL SALES*	mil. $	August	88,292p	−0.9	0.4
INDUSTRIAL PRODUCTION*	1967=100	August	140.6p	−1.0	−7.2
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	August	n.a.	.....	.....
TURNOVER OF DEMAND DEPOSITS**	annual rate	August	n.a.	.....	.....
BANK LOANS*	bil. $	August	1,028.4p	0.5	5.7
AVERAGE PRIME RATE CHARGED BY BANKS	percent	Sept.	13.50	−6.2	−32.8
CONSUMER INSTALLMENT DEBT*	mil. $	July	333,079	0.2	4.1
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	July	228.5p	−0.7	−4.0
CONSTRUCTION COST INDEXES					
Residences	1967=100	May	316.3	2.1[1]	8.7
Apts, Hotel, Office Bldgs	1967=100	May	322.0	2.1[1]	10.1
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	August	99,839p	0.1	−1.0
UNEMPLOYMENT*	thous.	August	10,805p	0.1	35.4
UNEMPLOYMENT RATE*	percent	August	9.8p	0	34.2
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	August	292.4	0.2	5.8
All Urban Consumers	1967=100	August	292.8	0.2	5.9
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	August	283.0	0.6	4.0
All Commodities	1967=100	August	n.a.	.....	.....

n.a.=*not available.*
p=*preliminary.*
[1]*Compared to March, 1982.*
*=*Seasonally adjusted.*
**=*Seasonally adjusted at annual rates.*

draft harbor, a $47 million contract, resurfacing of the main runway at the Barking Sands Pacific Missile Range on Kauai, a $4.6 million contract, and three naval housing projects for enlisted personnel with contracts totalling $17.6 million.

The largest State projects included the first phase of the diamond head extension to the main terminal at the Honolulu International Airport ($18.3 million), a portion of the H-1 Keehi interchange ($12.2 million), replacement of Kalakaua Homes ($12.2 million), a State housing project, and the new runway at Lihue Airport ($7.6 million).

At the county level, the most sizable contracts included $6.5 million in improvements to the Napili-Honokowai sewage system, a $4.2 million contract for the 110-unit Brydeswood Terrace subdivision on Kauai, and two contracts totalling $6.2 million for Luana Gardens, a Maui County housing project.

Military Population

The State Department of Planning and Economic Development (DPED) just released military population figures for 1982. Actually, there was very little change in the numbers. Interesting, though, was the large shift of personnel away from afloat (aboard ship) status to ashore status. The shift, as DPED pointed out "reflected a change in living arrangements and not necessarily in duty assignments. Effective June 1, 1982, the housing allowance offered to Navy personnel was increased significantly and many who had been living aboard ship took advantage of the increased stipend to rent living quarters ashore."

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

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A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *December, 1982*

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Hawaii's Unaffordable Housing

Average home prices are high all over the nation, but it is well known that they are highest of all in Hawaii. The Honolulu Board of Realtors Multiple Listing Service showed an average price of $184,559 for single-family homes sold in the first seven months of 1981, while for the same period a National Association of Realtors survey of 15 major metropolitan areas showed the average price of a San Francisco home, most expensive of the cities surveyed, at $133,900—$50,000 less than Honolulu's average—while prices in the other cities ranged downward to Pittsburgh's $59,000.

Yet Honolulu's construction costs are not much above average, according to McGraw Hill *Housing* magazine surveys of the labor and material costs of building the same good-quality 1,500-square-foot ranch house in 100 cities. The August 1981 survey showed that the cost of constructing this house in Honolulu, at $80,684, was considerably lower than in Fresno at $88,380 or San Francisco at $86,713, somewhat lower than in Cleveland and San Jose, and about the same as in Los Angeles, Sacramento, Stockton, and Detroit. Materials costs to build the house in Honolulu, at $46,684, were only a couple of hundred dollars more than in Fresno and Cleveland even though most of our building materials must be shipped 2,000 miles. Labor costs in Honolulu, at $34,000, were lower than in these eight cities, though higher than the U.S. average of $29,790.

The *Housing* survey does not include land costs, site development costs, developers' overhead, contractors' profit, or local taxes like Hawaii's 4 percent excise tax on contracting. All of these must be added into the final sales price. Raw land is more expensive in Hawaii than in most Mainland areas. Site development costs are higher here because (1) developers bear the full costs of roads, curbs, sewers, etc., whereas in many Mainland locations the government provides these facilities and spreads the cost among all the taxpayers, (2) the price of cement, a large factor in site preparation, is higher here, (3) much of our residential land is hilly and difficult to develop, as most level land is classified agricultural, and (4) regulatory requirements for subdivisions are unnecessarily elaborate. Hence it is the cost of the site that accounts for a great part of Hawaii's higher housing prices.

In 1960 Federal Housing Administration statistics showed the average market price of residential sites in Hawaii at $6,502, roughly two and a half times the U.S. average of $2,492. In 1961 Hawaii became the first state to pass a land use law, in which we seem to take great pride. By 1980 the FHA statistics showed the average Hawaii site price at $60,048—about five and a half times the U.S. average of $11,009, and three times the $20,853 average for California, the second most expensive state. Worse yet, the average lot size in Hawaii is 5,901 square feet, compared to the U.S. average of 12,807, which works out to $10.18 per square foot for Hawaii lots—12 times the U.S. average of 86¢ per square foot. Here we have a classic case of market supply and demand. Demand is high because Hawaii is a desirable place to live, and supply is short because we have chosen to legislate severe restrictions on land use.

Ohana zoning (permitting construction of a second residence on a lot zoned for one) is the first easing in the last two decades of restrictive government policies that have helped to drive home prices so high. If homeowners take advantage of it, Hawaii's housing stock can be increased considerably at almost half price: just the construction cost without the lot cost. But any lot that can hold two houses will likely become even more valuable. Residential lots will continue to escalate in price unless a great deal more land is classified urban and zoned residential.

The President's Commission on Housing reported in 1982 that nationwide the cost of land as a percent of the total cost of single-family homes increased from 19 percent in 1970 to 24 percent in 1980. Hawaii's lot price is 40 percent or more of the total package. The Commission commented: "Excessive regulation raises housing costs by restricting available land, imposing unnecessary requirements in site development and construction standards, and lengthening the time needed to obtain regulatory permits. Many studies have examined the impact of governmental regulations on the costs of single-family homes, and . . . all the studies have a common finding: regulations increase costs—as much as 25 percent of the selling price in some cases."

Land use laws and zoning and building regulations protect the established homeowner, who wants his environment nice and his real estate value high. As long as we cry, "No developments in my neighborhood!" and "No building on agricultural land!" we perpetuate the residential land shortage that causes our higher home prices. Government regulations presumably reflect the will of the citizens, and the citizens have chosen (perhaps wisely, in view of Hawaii's limited land area and special beauty) to keep Hawaii green, and to let the new generation of homeowners pay the price—if they can.

There is no way to have both restrictive land use policies *and* affordable housing. Ohana zoning is only one small step in the right direction.

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business activity - hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	October	350,301p	11.4	13.7
	number	Jan.-Oct.	3,563,746p	.....	8.2
Westbound	number	October	263,799p	12.8	13.1
	number	Jan.-Oct.	2,753,211p	.....	10.2
Eastbound	number	October	86,502p	7.4	15.8
	number	Jan.-Oct.	810,535p	.....	1.9
AVERAGE DAILY VISITOR CENSUS[1]	number	October	86,064p	12.4	15.0
AVERAGE LENGTH OF STAY[1]	no. of days	October	10.1	3.1	2.0
MEETINGS ATTENDANCE	number	October	14,133	26.4	-23.2
ORGANIZED GROUP TOURS	number	October	56,856	16.1	-3.6
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	October	133,641p	25.5	24.7
	number	Jan.-Oct.	1,297,432p	.....	14.2
Hawaii	number	October	59,275p	23.2	12.7
	number	Jan.-Oct.	561,819p	.....	3.5
Kauai	number	October	66,311p	20.3	8.6
	number	Jan.-Oct.	640,830p	.....	3.4
VISITOR ACCOMMODATIONS					
STATE	number	October	58,927	-0.7	2.9
Oahu	number	October	34,610	-0.4	3.4
Waikiki	number	October	30,106	-0.5	3.9
Maui (includes 11 on Lanai)	number	October	11,327	-3.4	5.1
Molokai	number	October	617	11.2	14.9
Hawaii	number	October	7,119	0.2	-1.4
Kauai	number	October	5,254	0.9	0.6
HOTEL OCCUPANCY					
STATE	percent	October	67.3p	0	0.9
Oahu	percent	October	74.5p	-2.4	6.7
Maui	percent	October	70.6p	4.6	-6.5
Hawaii	percent	October	44.7p	17.3	-3.2
Kauai	percent	October	51.9p	-8.5	-17.7
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	3rd Qtr. 1982	450.3	7.8	19.4
Military Payroll	mil. $	3rd Qtr. 1982	186.2	5.8	20.1
Civilian Payroll	mil. $	3rd Qtr. 1982	135.7	9.4	11.2
Local Purchases	mil. $	3rd Qtr. 1982	128.5	9.0	28.4
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan. 1-Nov. 6	860.4	.....	-11.5
N. Y. RAW SUGAR PRICE	$/ton	October	408.95	-2.5	30.5
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Sept.	146.2	.....	3.8
FRESH	thous. lbs.	Jan.-Oct.	217,778	.....	11.5
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	October	274.7	1.9[3]	6.0
All Urban Consumers, All items	1967=100	October	275.2	2.2[3]	6.1
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	October	585.6	1.0	0.9
GAS SALES	thous. therms	October	3,812	-2.0	3.0
TELEPHONES IN SERVICE	thous.	October	740.2	0.3	2.2

p = *preliminary.*
[1] *Estimated Westbound.*
[2] *Gross taxable income valued at time of shipment.*
[3] *Compared to August, 1982.*

Touriom

October 1982 was a good month for Hawaii tourism. The visitor count jumped 13.7%, the second biggest percentage gain for any month so far this year - in March the increase was 14.6% - and October's share of the visitor count so far this year is larger than normal.

The increase occurred in both the eastbound and westbound components. Eastbound traffic was up 15.8% over October 1981, somewhat of a surprise with traffic prior to October essentially flat. Westbound traffic continued strong as it has all year with the count in October advancing 13.1% over last October and the year-to-date total up 10.2%.

Bargain air fares have been a major factor in the upturn in tourism this year. The Hawaii Visitors Bureau reported traffic from Philadelphia up 77.8%, from Minneapolis up 120.6%, from New York up 46%,

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	September	84.2	-16.0	-41.9
	mil. $	Jan.-Sept.	1,004.9	.....	-18.4
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Aug.	209,348	.....	-45.6
C&C of Honolulu	thous. $	Jan.-Oct.	153,565	.....	-28.2
Maui County	thous. $	Jan.-Aug.	27,035	.....	-72.6
Hawaii County	thous. $	Jan.-Oct.	54,472	.....	-19.4
Kauai County	thous. $	Jan.-Oct.	24,667	.....	-30.9
SINGLE FAMILY UNITS					
STATE	number	Jan.-Aug.	1,405	.....	-22.8
C&C of Honolulu	number	Jan.-Oct.	472	.....	-25.2
Maui County	number	Jan.-Aug.	373	.....	24.7
Hawaii County	number	Jan.-Oct.	665	.....	-25.9
Kauai County	number	Jan.-Oct.	204	.....	-29.7
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Aug.	1,913	.....	-38.5
C&C of Honolulu	number	Jan.-Oct.	2,091	.....	11.3
Maui County	number	Jan.-Aug.	122	.....	-87.9
Hawaii County	number	Jan.-Oct.	235	.....	-19.8
Kauai County	number	Jan.-Oct.	118	.....	0
NONRESIDENTIAL					
STATE	thous. $	Jan.-Aug.	195,862	.....	-19.5
C&C of Honolulu	thous. $	Jan.-Oct.	204,325	.....	4.1
Maui County	thous. $	Jan.-Aug.	10,215	.....	-49.8
Hawaii County	thous. $	Jan.-Oct.	11,328	.....	-81.1
Kauai County	thous. $	Jan.-Oct.	15,321	.....	-12.1
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Nov.	359,814	.....	-5.5
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Nov.	127,780	.....	-25.8
STATE	thous. $	Jan.-Nov.	165,549	.....	17.2
COUNTY	thous. $	Jan.-Nov.	66,485	.....	-0.8
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Nov.	269,267	.....	-20.3
Maui County	thous. $	Jan.-Nov.	42,838	.....	382.0
Hawaii County	thous. $	Jan.-Nov.	22,751	.....	26.1
Kauai County	thous. $	Jan.-Nov.	24,958	.....	57.8
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967 = 100	November	311.7	0.3	3.9
HIGH-RISE	1967 = 100	November	341.1	0.3	6.3
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	September	1,507.0	-17.8	-10.0
	mil. $	Jan.-Sept.	15,592.9	.....	-3.9
DIVERSIFIED MANUFACTURING	mil. $	September	32.9	-24.2	34.5
	mil. $	Jan.-Sept.	426.7	.....	-13.5
DIVERSIFIED AGRICULTURE	mil. $	September	16.0	51.2	-0.5
	mil. $	Jan.-Sept.	134.7	.....	-2.4
RETAILING	mil. $	September	540.3	-12.5	-3.9
	mil. $	Jan.-Sept.	5,637.8	.....	2.0
WHOLESALING	mil. $	September	357.6	-35.6	-13.8
	mil. $	Jan.-Sept.	3,867.9	.....	-14.5
SERVICES	mil. $	September	341.0	-10.6	-4.9
	mil. $	Jan.-Sept.	3,425.5	.....	9.8
OAHU NEW CAR SALES	number	September	1,654	-4.6	n.c.

n.c. = *not comparable.*

and from California up 23%, all places where discount fares to Hawaii are available.

Consumer Prices

The Honolulu Consumer Price Index soared 2.2% between August and October, a rate of increase that if continued over a year's time would produce a 13.6% inflation rate. And we thought we had inflation so well contained with prices increasing at an annual rate of only 6.5% in the first eight months of the year!

What happened was the homeownership component took a giant leap upward - 5.7% over the two months - contributing better than 70% of the total CPI gain. Taking the homeownership component out of the calculation leaves an increase of only 0.8% for all the remaining CPI components, and a much more modest 5% annual rate of increase.

The homeownership compo-

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil $	October 31	5,011.0	2.0	7.9
Honolulu County	mil $	October 31	4,154.0	2.2	7.6
Maui County	mil $	October 31	313.6	0.3	15.2
Hawaii County	mil $	October 31	368.1	1.4	7.5
Kauai County	mil $	October 31	175.2	0.9	4.1
BANK DEMAND DEPOSITS					
STATE	mil $	October 31	1,081.6	3.4	5.0
Honolulu County	mil $	October 31	912.1	4.1	3.9
Maui County	mil $	October 31	69.0	-5.8	18.6
Hawaii County	mil $	October 31	72.4	4.8	10.8
Kauai County	mil $	October 31	28.1	3.4	-3.1
DEBITS TO DEMAND DEPOSITS					
STATE	mil $	October	7,358.9	-5.3	-8.5
Honolulu County	mil $	October	6,725.2	-5.5	-10.0
Maui County	mil $	October	271.1	-13.0	14.5
Hawaii County	mil $	October	276.6	12.5	12.3
Kauai County	mil $	October	86.1	-11.7	-7.6
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	October	83.00	-4.5	-10.2
Honolulu County	annual rate	October	90.24	-5.2	-10.7
Maui County	annual rate	October	45.69	-4.8	-4.7
Hawaii County	annual rate	October	46.90	11.9	8.6
Kauai County	annual rate	October	37.41	-10.6	-0.7
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous $	October	88,160	-26.1	-8.3
	thous $	Jan.-Oct	946,239	—	-5.9
Honolulu County	thous $	October	77,526	-25.9	-8.2
	thous $	Jan.-Oct	844,188	—	-4.6
Maui County	thous $	October	4,049	-32.6	-6.9
	thous $	Jan.-Oct	42,706	—	-11.8
Hawaii County	thous $	October	4,562	-21.9	-2.2
	thous $	Jan.-Oct	41,676	—	-16.9
Kauai County	thous $	October	2,023	-26.5	-21.9
	thous $	Jan.-Oct	17,670	—	-20.3

[1]Excludes property taxes which were formerly collected by the State but are now collected by the Counties.

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous	October	456.5p	2.5	2.2
Employment	thous	October	420.9p	2.6	-0.1
Unemployment	thous	October	35.6p	1.6	41.6
Unemployment Rate	percent	October	7.8p	-1.3	39.3
C & C OF HONOLULU					
Civilian Labor Force	thous	October	348.8p	2.8	1.3
Employment	thous	October	323.9p	2.8	-0.7
Unemployment	thous	October	24.9p	2.5	37.3
Unemployment Rate	percent	October	7.1p	0	34.0
MAUI COUNTY					
Civilian Labor Force	thous	October	41.3p	1.2	8.8
Employment	thous	October	37.2p	0.8	4.6
Unemployment	thous	October	4.1p	5.1	70.8
Unemployment Rate	percent	October	10.0p	4.2	58.7
HAWAII COUNTY					
Civilian Labor Force	thous	October	45.8p	3.2	4.7
Employment	thous	October	40.9p	3.8	1.4
Unemployment	thous	October	4.9p	-4.0	42.6
Unemployment Rate	percent	October	10.6p	-7.0	37.7
KAUAI COUNTY					
Civilian Labor Force	thous	October	20.6p	0	0
Employment	thous	October	18.9p	0.5	-2.3
Unemployment	thous	October	1.7p	-5.4	34.6
Unemployment Rate	percent	October	8.4p	-6.7	35.5
JOB COUNT BY INDUSTRY					
TOTAL JOBS—STATE	thous	October	441.2p	1.4	0.2
SUGAR and mill and field	thous	October	8.5p	-0.6	-8.1
PINEAPPLE (cannery and field)	thous	October	3.5p	-34.0	4.5
DIVERSIFIED MANUFACTURING					
(excluding sugar and pineapple)	thous	October	15.8p	-0.9	-2.5
Durable Goods	thous	October	4.0p	-1.2	-7.0
Non-Durable Goods	thous	October	11.8p	-0.4	-0.8
Apparel and Textiles	thous	October	2.8p	0	-5.0
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple but including agricultural self-employed)	thous	October	10.5p	23.5	18.6
CONTRACT CONSTRUCTION	thous	October	17.9p	-2.7	-18.1
TRANSPORTATION	thous	October	20.3p	-1.2	-4.5
COMMUNICATION	thous	October	7.3p	-0.7	-1.4
UTILITIES	thous	October	2.5p	0	-1.9
RETAIL TRADE	thous	October	86.5p	-0.6	0.2
WHOLESALE TRADE	thous	October	18.0p	0	-1.9
FINANCE, INSURANCE, AND REAL ESTATE	thous	October	31.8p	-0.2	-0.8
HOTEL SERVICES-STATE	thous	October	26.3p	1.3	7.6
Honolulu County	thous	October	14.9p	1.0	6.0
Maui County	thous	October	6.1p	4.2	17.1
Hawaii County	thous	October	3.0p	0	0
Kauai County	thous	October	2.2p	-2.2	2.3
OTHER SERVICES	thous	October	75.5p	0.3	-0.7
FEDERAL GOVERNMENT	thous	October	31.8p	1.8	2.9
Civilian Agencies	thous	October	11.4p	-1.3	3.6
Defense Department	thous	October	20.4p	3.6	2.5
STATE GOVERNMENT	thous	October	45.7p	14.3	2.1
COUNTY GOVERNMENT	thous	October	12.8p	-1.9	2.4
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	October	15.18p	0.1	10.8
Average Weekly Hours	hours	October	31.8p	-11.2	-0.6
MANUFACTURING					
Average Hourly Earnings	dollars	October	8.28p	-0.1	6.2
Average Weekly Hours	hours	October	38.6p	1.8	-1.8
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	October	11.24p	0.3	10.5
Average Weekly Hours	hours	October	43.3p	-0.2	0.2
TRADE					
Average Hourly Earnings	dollars	October	6.50p	-0.5	6.2
Average Weekly Hours	hours	October	32.9p	-0.9	-0.6
FINANCE					
Average Weekly Earnings	dollars	October	222.28p	1.2	6.3
HOTELS					
Average Hourly Earnings	dollars	October	6.33p	-0.8	5.3
Average Weekly Hours	hours	October	32.4p	0.3	-1.5

p = preliminary.

ment is very volatile, buffeted up and down as it has been by the rise and fall of mortgage rates and by varying prices of the homes sold in any particular period, with the sample size for Hawaii very small as only FHA homes are priced. The problem will be taken care of in 1983 when the Bureau of Labor Statistics replaces the homeownership component with a "rental equivalence" index.

The U.S. CPI increased much less rapidly than the Honolulu index did between August and October - up 0.4%, 2.7% at an annual rate - but that's because nationally the Bureau of Labor Statistics measured a decline of 0.8% in homeownership costs over the two months.

Employment

The state's unemployment rate decreased slightly in October from 7.9% to 7.8% as the increase in employment of 10,800 outweighed the 500 rise in the number of unemployed.

The employment gains were concentrated in the State and federal government sectors, in agriculture, and in services. The increase at the State level resulted from hirings by the Department of Education and the University for the new school year. The gain in federal government jobs resulted from an increase in defense-related employment. The ag job count rose, not from additions in sugar or pineapple, but from a sizeable increase in diversified ag. And the strong service sector was a reflection of the upturn in tourism this year with hotel job additions concentrated largely on Maui and Oahu. Between October 1981 and October this year, hotel jobs have increased by 1,850 or 7.6%.

The most significant job losses in October were recorded in construction, wracked as it is by the combination of high interest rates and recession,

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	October	15,042	20.8	24.8
INTRASTATE INITIAL CLAIMS	number	October	7,262	12.6	13.6
INTERSTATE INITIAL CLAIMS	number	October	452	1.1	42.6
UNEMPLOYMENT INSURANCE BENEFITS	thous $	October	6,971	18.1	21.5
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no. persons	October	64,536	0.2	-7.3
Services	no. cases	3rd Qtr. 1982	6,883	2.4	-28.1
Medical	no. patients	October	55,019	5.6	-2.7
Food Stamps	no. persons	October	100,371	1.2	-1.5
PAYMENTS					
Income Maintenance	thous $	October	9,009	0.3	-4.5
Services	thous $	3rd Qtr. 1982	n.a.		
Medical	thous $	October	15,792	18.7	20.7
Food Stamps	thous $	October	6,701	16.3	14.7

[1]Count of recipients is duplicated. A person may be counted in each category.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	number	July 1, 1981	1,066,000p	—	1.3
TOTAL RESIDENT—STATE	number	July 1, 1981	981,000p	—	1.2
C & C of Honolulu	number	July 1, 1981	774,000e	—	1.1
Maui County	number	July 1, 1981	72,600e	—	1.7
Hawaii County	number	July 1, 1981	95,000e	—	2.5
Kauai County	number	July 1, 1981	39,400e	—	0.5
CIVILIAN RESIDENT—STATE	number	July 1, 1981	924,000	—	1.4
MILITARY PERSONNEL—STATE	number	July 1, 1982	61,107	—	-0.7
Ashore	number	July 1, 1982	54,184	—	17.1
Afloat	number	July 1, 1982	6,923	—	-54.7
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1982	66,709	—	3.7
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 10/82	6,677	—	2.8
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil $	2nd Qtr. 1982	11,425	1.9	6.8
Employment Income[2]	mil $	2nd Qtr. 1982	8,372	1.8	4.5
Manufacturing	mil $	2nd Qtr. 1982	432	0.9	0.2
Construction & Mining	mil $	2nd Qtr. 1982	499	-0.4	-12.1
Wholesale	mil $	2nd Qtr. 1982	356	1.4	2.9
Retail	mil $	2nd Qtr. 1982	958	3.2	4.0
Finance, Ins. & Real Estate	mil $	2nd Qtr. 1982	540	3.1	-4.4
Trans., Comm. & Util.	mil $	2nd Qtr. 1982	786	2.7	4.4
Services	mil $	2nd Qtr. 1982	1,800	2.3	6.7
Gov. & Other[3]	mil $	2nd Qtr. 1982	228	0.9	1.3
Federal Civilian	mil $	2nd Qtr. 1982	751	2.6	7.1
Federal Military	mil $	2nd Qtr. 1982	994	0.9	14.9
State & Local	mil $	2nd Qtr. 1982	983	0.2	7.9
Property Income					
Dividends, Interest, Rent	mil $	2nd Qtr. 1982	2,111	2.8	13.5
Transfer Payments (1,495 items)					
Personal Contributions for Social Ins. (850)	mil $	2nd Qtr. 1982	941	1.4	14.3
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1981	11,036r	—	8.2
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1980	10,492	—	11.2
Maui County	dollars	1980	8,871	—	10.4
Hawaii County	dollars	1980	8,400	—	9.6
Kauai County	dollars	1980	8,472	—	10.4

e = estimated
p = preliminary
r = revised
**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.
[3]Income from mining not shown separately to avoid disclosure of confidential information.
[4]Income from agricultural services, forestry, fisheries and other not shown separately to avoid disclosure of confidential information.

u.s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967=100	October	131.4	0.2	2.4
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil $	3rd Qtr. 1982	3,080.7p	1.2	3.3
In 1972 Dollars	bil $	3rd Qtr. 1982	1,478.4p	0	-2.1
PERSONAL INCOME**	bil $	October	2,620.8	0.7	5.4
RETAIL SALES*	mil $	October	89,554p	0.6	3.6
INDUSTRIAL PRODUCTION*	1967=100	October	136.3p	-0.8	-8.6
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil $	October	53,885.7	-3.6	9.9
TURNOVER OF DEMAND DEPOSITS**	annual rate	October	213.1	-5.6	8.5
BANK LOANS*	bil $	October	1,038.0p	0.4	5.6
AVERAGE PRIME RATE CHARGED BY BANKS	percent	November	11.85	-5.4	-29.6
CONSUMER INSTALLMENT DEBT*	mil $	September	28,268	2.5	-3.9
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil $	November	234.9	1.1	1.8
CONSTRUCTION COST INDEXES					
Residences	1967=100	July	324.5	2.6[1]	8.3
Apts, Hotel, Office Bldgs	1967=100	July	329.8	2.4[1]	9.2
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous	October	99,093	-0.6	-1.2
UNEMPLOYMENT*	thous	October	11,551	2.6	33.2
UNEMPLOYMENT RATE*	percent	October	10.4	3.0	30.0
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	October	293.6	0.3	5.0
All Urban Consumers	1967=100	October	294.1	0.3	5.1
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	October	283.9	0.5	3.5
All Commodities	1967=100	October	n.a.	.....	.....

n.a. = not available.
p = preliminary.
[1]Compared to May, 1982.
*Seasonally adjusted.
**Seasonally adjusted at annual rates.

and in pineapple where seasonable layoffs occurred, and in retail trade.

Total Personal Income

Total personal income (TPI) in Hawaii increased at an annual rate of 8.0% during the second quarter, more rapidly than the 7.0% TPI increase measured nationally. But Hawaii's second quarter performance was somewhat deceiving as it resulted more from catch up following a virtually flat first quarter than from any new real growth. Both nationally and locally TPI made little headway against inflation during the first half of the year, being about even in real terms with TPI in the first half of last year and down from fourth quarter 1981 levels. However, with the economy picking up a little steam in the latter part of the year and with inflation slowed to a crawl, TPI for the year as a whole should show some real growth.

Employment income (73% of Hawaii TPI) increased in the second quarter in every major industrial sector but one, the construction industry. Though the decline in construction was small, this industry has been hard hit by the recession with income in the second quarter of 1982 14.4% below what it was in the first quarter of 1981. Experiencing the biggest increases during the second quarter were retail trade, services, the transportation and utilities sector, and the finance, insurance and real estate sectors, up at annual rates of 13.6%, 9.4%, 11.4%, and 12.8% respectively.

The dividends, interest, and rent component continued strong increasing at an annual rate of 11.8% in the second quarter. With interest rates running at double-digit levels for better than three years, this component, which comprises less than 20% of total TPI has accounted for close to 30% of the increase in Hawaii's TPI over the past 3 years.

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

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A Bimonthly Report by the Research Department — *Helen L. Bevens, Editor* — B3500-1 2/21/83 — *Jan./Feb. 1983*

Economic Impact of Hurricane Iwa on Hawaii

Hawaii is seldom troubled by hurricanes. Hurricane Iwa, which hit the Islands on November 23-24 of 1982, was the first in 23 years and only the fourth ever recorded in the area. Hurricane Iwa struck hardest the islands of Kauai and Niihau and the west end of Oahu, with winds of up to 110 miles per hour, heavy rains, and high surf, causing great damage to buildings and crops, but resulting in very little injury and only one storm-related death—with that being a sailor on a naval ship leaving Pearl Harbor. Following the hurricane devastation, government officials working with the Red Cross, neighbors helping neighbors, and heroic efforts of electric and telephone company personnel mitigated much distress, and Hawaii is already recovering nicely.

Shortly after the hurricane Governor Ariyoshi appointed an Ad Hoc Committee on the Economic Impact of Hurricane Iwa to assess the damages, and the State Department of Planning and Economic Development has now issued a report on the Committee's findings. Total damages to structures, equipment, and personal property are estimated at $216 million, and damages to crops at $17 million.

Almost 700 housing units (523 of them on Kauai) were totally destroyed, and another 6,756 homes were damaged (4,322 on Kauai, 2,264 on Oahu, 160 on Niihau, and 10 on Maui). The preliminary—and conservative—estimate of damage to business structures and equipment is $64 million, including $11.5 million in public utilities damage. A major part of the business damage was suffered by hotels and visitor condos on Kauai's south shore, but valuation of this is still incomplete. Federal property loss amounted to $54.1 million—much of it at Schofield Barracks. State and county facilities suffered damages of almost $25 million.

Crop losses were made up largely of sugarcane losses on Kauai, estimated at $3.4 million for the 1982 sugar crop and anticipated losses of $8.8 million for the 1983 and 1984 harvests. The papaya industry on Kauai suffered an almost total loss of fruit trees, valued at $2.0 million—an appalling setback for Kauai papaya farmers, who were just recovering from the early 1982 EDB problem followed by the outbreak of phytophera disease.

The hurricane caused the unemployment of nearly 1,400 workers on Kauai and 125 on Oahu. Kauai's visitor industry suffered revenue losses which may reach as much as $74 million, due to visitors cancelling their Kauai trips because of exaggerated news reports of the storm's effects on Kauai.

But overall, according to the Committee's analysis, the economic gains to the state in the next year and a half will outweigh the losses from all this destruction. The report notes that "much of the cost of replacing damaged and destroyed assets will be paid for by such sources as insurance funds originating on the Mainland and agencies of the Federal Government. (In a very real sense, Hawaii pre-paid the cost of replacing damages due to Hurricane Iwa through years of insurance premiums and Federal taxes.) The fact that much of the damage repair will be paid for by outside sources means that Hawaii will actually experience economic gains from the repair and replacement activities." As a result Hawaii's depressed construction industry will receive a much-needed boost, and the State government's revenues will be improved from collection of taxes on this construction work.

The biggest losses in economic activity have been in the visitor industry on Kauai, but naturally the other islands gained many of the visitors diverted from Kauai, so that the overall loss to the state is less than Kauai's loss. Total final losses to Kauai in visitor expenditures, income, and jobs will depend on how long it takes for the Kauai visitor count to return to more normal levels. Much will depend on the success of Kauai's promotional campaign to reassure travel agents and vacationers that Kauai is ready to entertain visitors as comfortably as before.

Unemployment due to the decline in visitor expenditures is temporary, and is cushioned somewhat by unemployment insurance. The unemployed will be reabsorbed when Kauai's visitor industry fully recovers—perhaps in four months, possibly not for a year. Construction employment, on the other hand, will pick up as a result of hurricane damage repairs, but the report does not attempt any estimate of the number of additional jobs that will be created, since contractors may just increase hours of their present workers or call up labor on a contract-by-contract basis. However, Kauai construction activity will be high for the next year and a half, and Kauai will benefit from the second rounds of spending by Kauai and Honolulu construction crews doing repair work.

Despite these silverish linings, the report somberly points out that "the conclusion that there will be economic gains cannot begin to compensate for the suffering that thousands of Hawaii's people endured and continue to endure as the result of the hurricane. Further, while these economic gains will be shared by all residents of the state, the losses—especially where uninsured—will be borne by a few. It will likely be years before the victims of Iwa recover financially, if ever."

First Hawaiian Bank

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business activity - hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	December	350,280p	2.4	1.9
	number	Jan.-Dec.	4,250,428p	.....	8.0
Westbound	number	December	260,206p	-3.0	1.7
	number	Jan.-Dec.	3,279,252p	.....	10.2
Eastbound	number	December	90,074p	21.8	2.3
	number	Jan.-Dec.	971,176p	.....	1.2
AVERAGE DAILY VISITOR CENSUS[1]	number	December	90,675p	3.1	1.6
AVERAGE LENGTH OF STAY[1]	no. of days	December	10.8	10.2	0.0
MEETINGS ATTENDANCE	number	December	13,135	-2.0	165.1
ORGANIZED GROUP TOURS	number	December	43,972p	-25.3	-11.6
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	December	120,402p	-9.7	12.7
	number	Jan.-Dec.	1,549,995p	.....	15.3
Hawaii	number	December	57,047p	-4.6	4.7
	number	Jan.-Dec.	678,116p	.....	4.6
Kauai	number	December	34,017p	-42.3	-38.5
	number	Jan.-Dec.	733,148p	.....	0.3
VISITOR ACCOMMODATIONS					
STATE	number	October	58,927	-0.7	2.9
Oahu	number	October	34,610	-0.4	3.4
Waikiki	number	October	30,106	-0.5	3.9
Maui (includes 11 on Lanai)	number	October	11,327	-3.4	5.1
Molokai	number	October	617	11.2	14.9
Hawaii	number	October	7,119	0.2	-1.4
Kauai	number	October	5,254	0.9	0.6
HOTEL OCCUPANCY					
STATE	percent	December	64.6	-5.4	3.4
Oahu	percent	December	71.7	-4.4	0.4
Maui	percent	December	67.9	-10.4	14.7
Hawaii	percent	December	41.3	-8.6	9.0
Kauai	percent	December	43.3	-8.8	-14.4
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	4th Qtr. 1982	442.3p	-1.8	9.8
Military Payroll	mil. $	4th Qtr. 1982	189.9p	2.0	8.9
Civilian Payroll	mil. $	4th Qtr. 1982	146.7	8.1	8.7
Local Purchases	mil. $	4th Qtr. 1982	105.7p	-17.7	13.3
SUGAR					
SUGAR PRODUCTION	thous. tons.	Jan. 1-Dec. 31	982.7	.....	-6.2
N. Y. RAW SUGAR PRICE	$/ton	December	416.71	0.2	21.6
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Nov.	175.3	.....	9.7
FRESH	thous. lbs.	Jan.-Dec.	253,410	.....	10.1
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	December	271.0	-1.3[3]	4.5
All Urban Consumers, All items	1967=100	December	269.9	-1.9[3]	4.5
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	December	552.5	2.6	-2.3
GAS SALES	thous. therms	December	3,797	-6.8	-7.3
TELEPHONE LINES IN SERVICE	thous	December	445.5	0.3	3.1

p = *preliminary.*
[1] *Estimated Westbound.*
[2] *Gross taxable income valued at time of shipment.*
[3] *Compared to October, 1982.*

Tourism

Visitors to Kauai fell 38.5% in December following Hurricane Iwa which struck the Islands in late November and forced the closing of some of Kauai's hotels. Much of the visitor business was probably lost to the Islands as the meager 1.9% increase in tourist traffic to Hawaii in December attests, following average increases for the year prior to December of 8.6%.

Electricity

Electricity sales in Hawaii in 1982 were running at a level just about equal with 1981 before Hurricane Iwa hit the Islands causing extensive damage to power lines. As a result, November sales dropped 1.9% and December sales fell 2.3% relative to 1981. On Oahu the decline was 2.5% in November and December. On Kauai the impact

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	November	96.7	-9.0	-26.9
	mil. $	Jan.-Nov.	1,207.8	.....	-19.4
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Aug.	209,348	.....	-45.6
C&C of Honolulu	thous. $	Jan.-Dec.	202,722	.....	-10.4
Maui County	thous. $	Jan.-Aug.	27,035	.....	-72.6
Hawaii County	thous. $	Jan.-Dec.	61,056	.....	-17.2
Kauai County	thous. $	Jan.-Dec.	28,027	.....	-32.2
SINGLE FAMILY UNITS					
STATE	number	Jan.-Aug.	1,405	.....	-22.8
C&C of Honolulu	number	Jan.-Dec.	695	.....	1.3
Maui County	number	Jan.-Aug.	373	.....	24.7
Hawaii County	number	Jan.-Dec.	800	.....	-22.3
Kauai County	number	Jan.-Dec.	230	.....	-34.8
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Aug.	1,913	.....	-38.5
C&C of Honolulu	number	Jan.-Dec.	2,519	.....	31.8
Maui County	number	Jan.-Aug.	122	.....	-87.9
Hawaii County	number	Jan.-Dec.	249	.....	-15.0
Kauai County	number	Jan.-Dec.	118	.....	-1.7
NONRESIDENTIAL					
STATE	thous. $	Jan.-Aug.	195,862	.....	-19.5
C&C of Honolulu	thous. $	Jan.-Dec.	240,200	.....	5.3
Maui County	thous. $	Jan.-Aug.	10,215	.....	-49.8
Hawaii County	thous. $	Jan.-Dec.	14,153	.....	-77.1
Kauai County	thous. $	Jan.-Dec.	16,209	.....	-37.5
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Dec.	391,587	.....	-8.8
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Dec.	138,007	.....	-22.6
STATE	thous. $	Jan.-Dec.	183,807	.....	2.2
COUNTY	thous. $	Jan.-Dec.	69,774	.....	-1.9
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Dec.	297,817	.....	-14.9
Maui County	thous. $	Jan.-Dec.	45,790	.....	255.3
Hawaii County	thous. $	Jan.-Dec.	22,920	.....	-52.6
Kauai County	thous. $	Jan.-Dec.	25,061	.....	38.6
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967 = 100	December	314.2	0.8	6.0
HIGH-RISE	1967 = 100	December	342.6	0.5	7.5
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	November	1,556.9	-12.6	-4.5
	mil. $	Jan.-Nov.	18,930.5	.....	-3.5
DIVERSIFIED MANUFACTURING	mil. $	November	31.9	-26.9	-37.2
	mil. $	Jan.-Nov.	502.1	.....	-14.5
DIVERSIFIED AGRICULTURE	mil. $	November	11.0	-19.7	6.0
	mil. $	Jan.-Nov.	159.3	.....	-1.7
RETAILING	mil. $	November	554.8	-7.5	-3.3
	mil. $	Jan.-Nov.	6,792.3	.....	1.6
WHOLESALING	mil. $	November	414.0	-24.5	-3.9
	mil. $	Jan.-Nov.	4,830.0	.....	-11.6
SERVICES	mil. $	November	351.5	0.6	5.3
	mil. $	Jan.-Nov.	4,126.4	.....	9.8
OAHU NEW CAR SALES	number	December	5,562	61.0	n.c.

n.c. = *not comparable.*

was much more dramatic with declines of 15.1% and 18.6%.

Telephones

We are switching the Economic Indicators telephone series from a count of telephone units, physically the telephone instrument itself, to a count of telephone lines. A telephone line through which telephone service is delivered to the user is a single phone number in the residential market. A telephone line count excludes extensions. Businesses may have one or more telephone lines and large businesses with PBX or Centrex systems may have several lines that can be accessed by a multitude of telephones having separate phone numbers.

With deregulation of the industry, Hawaiian Telephone no longer has the equipment and of

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	December	5,311.7	6.7	8.0
Honolulu County	mil. $	December	4,420.4	7.4	7.5
Maui County	mil. $	December	324.9	2.4	11.8
Hawaii County	mil. $	December	381.1	3.5	9.4
Kauai County	mil. $	December	185.4	6.1	10.1
BANK DEMAND DEPOSITS					
STATE	mil. $	December	1,301.3	19.1	7.4
Honolulu County	mil. $	December	1,108.0	21.4	7.1
Maui County	mil. $	December	81.1	9.3	15.0
Hawaii County	mil. $	December	79.8	4.1	3.6
Kauai County	mil. $	December	32.4	14.3	9.2
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	December	8,042.0	11.3	0.0
Honolulu County	mil. $	December	7,387.4	10.7	−0.6
Maui County	mil. $	December	303.2	25.2	14.4
Hawaii County	mil. $	December	251.0	12.2	0.5
Kauai County	mil. $	December	100.4	17.5	7.0
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	December	80.64	1.1	−3.3
Honolulu County	annual rate	December	87.73	0.0	−3.4
Maui County	annual rate	December	46.85	15.5	1.2
Hawaii County	annual rate	December	38.51	7.0	−2.9
Kauai County	annual rate	December	39.64	9.2	6.5
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous. $	December	108,827	14.0	6.6
	thous. $	Jan.-Dec.	1,150,501	.....	−4.3
Honolulu County	thous. $	December	94,925	13.2	6.6
	thous. $	Jan.-Dec.	1,023,007	.....	−3.3
Maui County	thous. $	December	5,427	15.0	1.6
	thous. $	Jan.-Dec.	52,850	.....	−8.2
Hawaii County	thous. $	December	5,868	18.8	12.9
	thous. $	Jan.-Dec.	52,485	.....	−12.1
Kauai County	thous. $	December	2,607	38.0	2.8
	thous. $	Jan.-Dec.	22,165	.....	−16.4

[1]*Excludes property taxes which were formerly collected by the State but are now collected by the Counties.*

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	December	463.3p	−0.2	n.c.
Employment	thous.	December	434.0p	1.3	1.5
Unemployment	thous.	December	29.3p	−18.2	n.c.
Unemployment Rate	percent	December	6.3p	−18.2	n.c.
C & C OF HONOLULU					
Civilian Labor Force	thous.	December	356.0p	0.4	n.c.
Employment	thous.	December	336.5p	2.0	1.6
Unemployment	thous.	December	19.5p	−20.9	n.c.
Unemployment Rate	percent	December	5.5p	−21.4	n.c.
MAUI COUNTY					
Civilian Labor Force	thous.	December	42.3p	−1.8	n.c.
Employment	thous.	December	39.0p	1.5	6.1
Unemployment	thous.	December	3.3p	−28.6	n.c.
Unemployment Rate	percent	December	7.9p	−26.9	n.c.
HAWAII COUNTY					
Civilian Labor Force	thous.	December	44.6p	−2.2	n.c.
Employment	thous.	December	40.5p	−0.5	0.9
Unemployment	thous.	December	4.1p	−16.5	n.c.
Unemployment Rate	percent	December	9.1p	−15.0	n.c.
KAUAI COUNTY					
Civilian Labor Force	thous.	December	20.4p	−2.6	n.c.
Employment	thous.	December	18.0p	−6.9	−7.7
Unemployment	thous.	December	2.4p	48.6	n.c.
Unemployment Rate	percent	December	11.8p	51.3	n.c.
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE	thous.	December	442.7p	0.0	−1.0
SUGAR (mill and field)	thous.	December	8.4p	−0.5	−9.1
PINEAPPLE (cannery and field)	thous.	December	3.9p	5.0	0.0
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	December	15.7p	−2.2	−3.1
Durable Goods	thous.	December	4.0p	8.5	−7.0
Non-Durable Goods	thous.	December	11.7p	−5.4	−2.5
Apparel and Textiles	thous.	December	2.8p	−0.5	−6.7
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed)	thous.	December	8.6p	−1.4	−2.8
CONTRACT CONSTRUCTION	thous.	December	18.3p	7.5	−13.3
TRANSPORTATION	thous.	December	20.3p	−7.3	−3.6
COMMUNICATION	thous.	December	7.2p	−2.0	−1.4
UTILITIES	thous.	December	2.5p	0.5	0.0
RETAIL TRADE	thous.	December	88.5p	1.3	−0.3
WHOLESALE TRADE	thous.	December	18.2p	−3.7	−0.8
FINANCE, INSURANCE AND REAL ESTATE	thous.	December	31.9p	1.9	−0.9
HOTEL SERVICES-STATE	thous.	December	25.4p	−4.8	−1.4
Honolulu County	thous.	December	15.1p	1.9	2.7
Maui County	thous.	December	6.2p	−5.4	4.2
Hawaii County	thous.	December	3.0p	−5.8	0.0
Kauai County	thous.	December	1.2p	−46.7	−46.5
OTHER SERVICES	thous.	December	75.0p	0.8	−1.8
FEDERAL GOVERNMENT	thous.	December	32.1p	−0.3	3.4
Civilian Agencies	thous.	December	11.2p	−1.4	2.7
Defense Department	thous.	December	20.9p	0.3	4.0
STATE GOVERNMENT	thous.	December	47.9p	1.4	1.3
COUNTY GOVERNMENT	thous.	December	12.8p	1.3	3.2
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	December	15.39p	0.7	12.2
Average Weekly Hours	hours	December	38.4p	21.5	0.8
MANUFACTURING					
Average Hourly Earnings	dollars	December	8.24p	0.6	8.0
Average Weekly Hours	hours	December	39.5p	2.9	0.5
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	December	11.90p	1.5	14.6
Average Weekly Hours	hours	December	47.0p	2.8	9.8
TRADE					
Average Hourly Earnings	dollars	December	6.50p	0.0	6.6
Average Weekly Hours	hours	December	33.1p	1.8	−0.9
FINANCE					
Average Weekly Earnings	dollars	December	219.22p	−1.0	3.4
HOTELS					
Average Hourly Earnings	dollars	December	6.67p	3.6	6.2
Average Weekly Hours	hours	December	31.9p	−0.3	−1.2

p = *preliminary.*
n.c. = *not comparable.*

the telephone business to itself. Other companies are competing for the sale or lease of telephones.

The Hawaiian Telephone count of phone units includes only equipment Hawaiian Telephone leases, not what they sell or what other companies lease or sell. As such, it no longer affords a meaningful measure of growth in aggregate. The Hawaiian Telephone phone count fell from 740,163 in October to 739,972 in November, and to 738,209 in December. On the other hand, the line count increased from 444,137 in November to 445,452 in December.

Car Sales

With dealers offering low-cost financing, in the 10% to 12% range, car sales locally took off in December. Cardinal Mailing Services' records show that a total of 5,562 passenger cars were sold on Oahu in December. That's a gain of 61% over November 1982 sales. Data for 1981 aren't comparable as they included passenger trucks in addition to passenger cars. But in spite of its being a less inclusive figure, December 1982 car sales of 5,562 were 13% greater than the December 1981 total for passenger cars and trucks.

Unemployment Insurance

First-time claims for unemployment insurance increased 21% from November to December as a result of persons unemployed by the hurricane. 1,544 of the 8,781 initial claims filed in December and 5.6% of the weekly average of insured unemployed were accounted for by the hurricane. With the hurricane contributing 5.6% to the

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	December	14,435	−15.2	11.2
INTRASTATE INITIAL CLAIMS	number	December	8,781	21.5	28.8
INTERSTATE INITIAL CLAIMS	number	December	433	−1.4	23.4
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	December	6,758	−14.5	9.0
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	December	64,713	0.6	−5.7
Services	no./cases	4th Qtr. 1982	6,314	−8.3	−23.4
Medical	no./patients	December	52,488	13.8	−4.0
Food Stamps	no./persons	November	100,629	0.3	0.0
PAYMENTS					
Income Maintenance	thous. $	December	9,021	0.7	−3.6
Services	thous. $	4th Qtr. 1982	3,690	−5.1	9.3
Medical	thous. $	December	14,809	37.8	10.9
Food Stamps	thous. $	November	6,980	4.2	23.9

[1]*Count of recipients is duplicated. A person may be counted in each category.*

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	number	July 1, 1981	1,066,000p	.....	1.3
TOTAL RESIDENT—STATE	number	July 1, 1981	981,000p	.....	1.2
C & C of Honolulu	number	July 1, 1981	774,000e	.....	1.1
Maui County	number	July 1, 1981	72,600e	.....	1.7
Hawaii County	number	July 1, 1981	95,000e	.....	2.5
Kauai County	number	July 1, 1981	39,400e	.....	0.5
CIVILIAN RESIDENT—STATE	number	July 1, 1981	924,000	.....	1.4
MILITARY PERSONNEL—STATE	number	July 1, 1982	61,107	.....	−0.7
Ashore	number	July 1, 1982	54,184	.....	17.1
Afloat	number	July 1, 1982	6,923	.....	−54.7
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1982	66,709	.....	3.7
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 1/83	6,460	.....	−3.0
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	3rd Qtr. 1982	11,626	1.8	6.3
Employment Income[2]	mil. $	3rd Qtr. 1982	8,487	1.4	5.0
Manufacturing	mil. $	3rd Qtr. 1982	455	5.3	6.1
Construction & Mining[3]	mil. $	3rd Qtr. 1982	488	−2.2	−10.3
Wholesale	mil. $	3rd Qtr. 1982	359	0.8	3.2
Retail	mil. $	3rd Qtr. 1982	983	2.6	4.9
Finance, Ins. & Real Estate	mil. $	3rd Qtr. 1982	553	2.4	2.6
Trans., Comm., & Util.	mil. $	3rd Qtr. 1982	791	0.6	3.1
Services	mil. $	3rd Qtr. 1982	1,856	3.1	8.1
Farm & Other[4]	mil. $	3rd Qtr. 1982	228	0.0	−1.3
Federal Civilian	mil. $	3rd Qtr. 1982	766	2.0	8.0
Federal Military	mil. $	3rd Qtr. 1982	953	−4.1	8.5
State & Local	mil. $	3rd Qtr. 1982	1,008	2.5	7.3
Property Income (Dividends, Interest, Rent)	mil. $	3rd Qtr. 1982	2,162	2.4	10.5
Transfer Payments (1,538) minus Personal Contributions For Social Ins. (561)	mil. $	3rd Qtr. 1982	977	3.8	8.1
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1981	11,036r	.....	8.2
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1980	10,492	.....	11.2
Maui County	dollars	1980	8,871	.....	10.4
Hawaii County	dollars	1980	8,400	.....	9.6
Kauai County	dollars	1980	8,472	.....	10.4

e = *estimated.*
p = *preliminary.*
r = *revised.*
** *Total personal income and all components are seasonally adjusted at annual rates.*
[1] *These immigration statistics include only those entering Honolulu ports and do not include status changes.*
[2] *Includes wage and salary disbursements, proprietors' income, and other labor income.*
[3] *Income from mining not shown separately to avoid disclosure of confidential information.*
[4] *Income from agricultural services, forestry, fisheries and other not shown separately to avoid disclosure of confidential information.*

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967=100	December	132.8	1.5	4.5
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	4th Qtr. 1982	3,101.3p	0.4	3.3
In 1972 Dollars	bil. $	4th Qtr. 1982	1,471.7p	−0.6	−1.2
PERSONAL INCOME**	bil. $	December	2,637	0.6	5.6
RETAIL SALES*	bil. $	December	92,26p	−0.4	6.6
INDUSTRIAL PRODUCTION*	1967=100	December	134.7p	−0.1	−6.1
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	November	56,504.4	2.7	8.1
TURNOVER OF DEMAND DEPOSITS**	annual rate	November	221.4	0.9	6.6
BANK LOANS*	bil. $	November	1,036.4p	−0.2	5.1
AVERAGE PRIME RATE CHARGED BY BANKS	percent	January	11.16	−3.0	−29.1
CONSUMER INSTALLMENT DEBT*	mil. $	October	333,913	−0.1	2.3
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	November	237.2	3.5	3.1
CONSTRUCTION COST INDEXES					
Residences	1967=100	July	324.5	2.6[1]	8.3
Apts, Hotel, Office Bldgs	1967=100	July	329.8	2.4[1]	9.2
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	November	99,032	−0.1	−1.1
UNEMPLOYMENT*	thous.	November	11,987	3.8	31.7
UNEMPLOYMENT RATE*	percent	November	10.8	3.8	30.1
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	December	292.0	−0.4	3.9
All Urban Consumers	1967=100	December	292.4	−0.4	3.9
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	November	285.7	0.6	3.7
All Commodities	1967=100	November	300.4	0.2	1.7

n.a. = *not available.*
p = *preliminary.*
[1] *Compared to May, 1982.*
* *Seasonally adjusted.*
** *Seasonally adjusted at annual rates.*

count of insured unemployment, it was surprising to see the weekly average of insured unemployed decrease instead of increase, and rather substantially at that, from 17,028 in November to 14,435 in December. Abnormal was the unusually high November which was up from 15,042 in October and for which there was no apparent explanation.

Employment

No comparisons are made of labor force and unemployment data with year earlier figures because of lack of comparability. A computer programming error was found extending back to 1980 that significantly increased unemployment and hence the labor force which is the sum of employment and unemployment. Monthly revisions for 1982 are forthcoming but no revisions will be made in the monthly data for 1980 and 1981, making the series a discontinuous one.

The employment picture for December was a mixed one, with job gains and losses about canceling one another. Retailing increased as temporary workers were hired to handle Christmas sales. Jobs at the State government level increased as work study participants were added in the Department of Education. And construction employment got a boost with all the repair work necessitated by Hurricane Iwa. The hotel industry, on the other hand, lost jobs as hotel employment on Kauai dropped almost in half following the hurricane which forced the closure of some hotels on Kauai. The other major job loss was in transportation where the job count fell by 1,600 or 7.3%.

First Hawaiian Bank Established 1858 Member FDIC

B 3500-1

HAWAII IN 1982

Year-end summary of Hawaii's economic indicators

RESEARCH DEPARTMENT
First Hawaiian Bank

business activity—hawaii

series	unit	period	1982	1981	% change 1982/81
TOURISM					
OVERNIGHT AND LONGER VISITORS	number	total	4,242,916	3,934,623	7.8
Westbound	number	total	3,278,519	2,974,791	10.2
Eastbound	number	total	964,397	959,832	0.5
AVERAGE DAILY VISITOR CENSUS[1]	number	monthly average	94,506p	85,449	10.6
AVERAGE LENGTH OF STAY[1]	no. of days	monthly average	10.5p	10.5	0.0
MEETINGS ATTENDANCE	number	total	166,790	181,662	−8.2
ORGANIZED GROUP TOURS[1]	number	total	691,105p	679,711	1.7
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	total	1,549,995p	1,344,278	15.3
Hawaii	number	total	678,116p	648,382	4.6
Kauai	number	total	733,148p	730,963	0.3
HOTEL INVENTORY					
STATE	number	October	58,927	57,239	2.9
Oahu	number	October	34,610	33,480	3.4
Waikiki	number	October	30,106	28,986	3.9
Maui includes 11 on Lanai	number	October	11,327	10,782	5.1
Molokai	number	October	617	537	14.9
Hawaii	number	October	7,119	7,219	−1.4
Kauai	number	October	5,254	5,221	0.6
HOTEL OCCUPANCY					
STATE	percent	monthly average	70.44	68.11	3.4
Oahu	percent	monthly average	77.84	73.92	5.3
Maui	percent	monthly average	73.87	70.30	5.1
Hawaii	percent	monthly average	44.04	44.87	−1.8
Kauai	percent	monthly average	57.47	62.68	−8.3
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	total	1,718.4	1,465.0	17.3
Military Payroll	mil. $	total	725.3	614.5	18.0
Civilian Payroll	mil. $	total	525.1	465.2	12.9
Local Purchases	mil. $	total	468.0	385.4	21.4
SUGAR					
SUGAR PRODUCTION	thous. tons	total	983	1,048	−6.2
N. Y. RAW SUGAR PRICE	$/ton	monthly average	398.82	394.71	1.0
PINEAPPLE SALES					
CANNED[2]	mil. $	total	189.3	169.8	11.5
FRESH	thous. lbs.	total	253,410	230,224	10.1
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	monthly average	268.3	252.8	6.1
All Urban Consumers, All items	1967=100	monthly average	267.9	252.4	6.1
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	total	6,701.1	6,749.3	−0.7
GAS SALES	thous. therms	total	48,859.2	48,902.0	−0.1
TELEPHONE LINES IN SERVICE	thous.	end of period	445.5	431.9	3.1
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	total	1,323.9	1,584.7	−16.5
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	total	264,938*	433,096*	−38.8
C&C of Honolulu	thous. $	total	202,722	226,148	−10.4
Maui County	thous. $	total	32,234*	115,740*	−72.1
Hawaii County	thous. $	total	61,056	73,708	−17.2
Kauai County	thous. $	total	28,027	41,368	−32.2
SINGLE FAMILY UNITS					
STATE	number	total	1,802*	2,177*	−17.2
C&C of Honolulu	number	total	695	686	1.3
Maui County	number	total	461*	359*	28.4
Hawaii County	number	total	800	1,030	−22.3
Kauai County	number	total	230	353	−34.8
MULTIPLE FAMILY UNITS					
STATE	number	total	2,566*	3,374*	−23.9
C&C of Honolulu	number	total	2,519	1,911	31.8
Maui County	number	total	122*	1,085*	−88.8
Hawaii County	number	total	249	293	−15.0
Kauai County	number	total	118	120	−1.7

p=preliminary.
[1]Estimated Westbound.
[2]Gross taxable income valued at time of shipment.
*Building permit data for Maui County available only through October 1982. To allow for comparisons, Maui data for November and December were left out of the 1981 figures both for Maui County and the State.

business activity—hawaii (cont.)

series	unit	period	1982	1981	% change 1982/81
PRIVATE PERMITS AUTHORIZED (continued)					
NONRESIDENTIAL					
STATE	thous. $	total	284,831*	299,095*	−4.8
C&C of Honolulu	thous. $	total	240,200	228,049	5.3
Maui County	thous. $	total	53,856*	25,467*	111.5
Hawaii County	thous. $	total	14,153	62,747	−77.4
Kauai County	thous. $	total	16,209	25,943	−37.5
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	total	391,587	479,233	−8.8
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	total	138,007	178,329	−22.6
STATE	thous. $	total	183,807	179,779	2.2
COUNTY	thous. $	total	69,774	71,126	−1.9
BY LOCATION OF PROJECTS					
C&C of Honolulu	thous. $	total	297,817	349,902	−14.9
Maui County	thous. $	total	45,790	12,887	255.3
Hawaii County	thous. $	total	22,920	48,362	−52.6
Kauai County	thous. $	total	25,061	18,083	38.6
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	monthly average	304.7	291.2	4.6
HIGH-RISE	1967=100	monthly average	330.3	308.2	7.2
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	total	20,722.2	20,908.3	−0.9
DIVERSIFIED MANUFACTURING	mil. $	total	544.3	615.9	−11.6
DIVERSIFIED AGRICULTURE	mil. $	total	176.8	176.6	0.1
RETAILING	mil. $	total	7,432.5	7,153.7	3.9
WHOLESALING	mil. $	total	5,276.1	5,837.7	−9.6
SERVICES	mil. $	total	4,531.0	4,003.2	13.2
OAHU NEW CAR SALES	number	total	31,469	.....	n.c.

finance—hawaii

series	unit	period	1982	1981	% change 1982/81
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	monthly average	4,962.0	4,472.0	11.0
C&C of Honolulu	mil. $	monthly average	4,120.9	3,676.8	12.1
Maui County	mil. $	monthly average	307.1	282.0	8.9
Hawaii County	mil. $	monthly average	359.9	350.4	2.7
Kauai County	mil. $	monthly average	174.0	162.8	6.9
BANK DEMAND DEPOSITS					
STATE	mil. $	monthly average	1,107.4	1,127.4	−1.8
C&C of Honolulu	mil. $	monthly average	932.4	950.9	−1.9
Maui County	mil. $	monthly average	72.8	70.4	3.5
Hawaii County	mil. $	monthly average	73.0	76.0	−3.9
Kauai County	mil. $	monthly average	29.1	30.1	−3.5
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	total	89,384.4	90,280.8	−1.0
C&C of Honolulu	mil. $	total	82,247.4	83,308.2	−1.3
Maui County	mil. $	total	3,111.7	2,954.5	5.3
Hawaii County	mil. $	total	2,915.0	2,908.4	0.2
Kauai County	mil. $	total	1,110.3	1,109.7	0.1
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	monthly average	81.05	80.00	1.3
C&C of Honolulu	annual rate	monthly average	88.57	87.56	1.2
Maui County	annual rate	monthly average	42.95	41.88	2.6
Hawaii County	annual rate	monthly average	40.03	38.08	5.1
Kauai County	annual rate	monthly average	38.42	36.63	4.9
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	total	1,150,501	1,202,181	−4.3
C&C of Honolulu	thous. $	total	1,023,001	1,058,335	−3.3
Maui County	thous. $	total	52,850	57,584	−8.2
Hawaii County	thous. $	total	52,485	59,698	−12.1
Kauai County	thous. $	total	22,165	26,523	−16.4

n.c.=not comparable.
*Building permit data for Maui County available only through October 1982. To allow for comparisons, Maui data for November and December were left out of the 1981 figures both for Maui County and the State.

civilian labor force, employment—hawaii

series	unit	period	1982	1981	% change 1982/81
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	monthly average	458.0	450.0	1.8
Employment	thous.	monthly average	428.0	426.0	0.5
Unemployment	thous.	monthly average	31.0	24.0	29.2
Unemployment Rate	percent	monthly average	6.7	5.4	24.1
C & C OF HONOLULU					
Civilian Labor Force	thous.	monthly average	351.1	345.9	1.5
Employment	thous.	monthly average	329.6	328.9	0.2
Unemployment	thous.	monthly average	21.5	17.1	26.1
Unemployment Rate	percent	monthly average	6.1	4.9	24.5
MAUI COUNTY					
Civilian Labor Force	thous.	monthly average	41.9	39.1	7.2
Employment	thous.	monthly average	38.6	36.8	4.9
Unemployment	thous.	monthly average	3.3	2.3	43.8
Unemployment Rate	percent	monthly average	7.9	5.9	33.9
HAWAII COUNTY					
Civilian Labor Force	thous.	monthly average	45.0	44.3	1.6
Employment	thous.	monthly average	40.5	40.9	−0.9
Unemployment	thous.	monthly average	4.4	3.4	30.7
Unemployment Rate	percent	monthly average	9.9	7.7	28.6
KAUAI COUNTY					
Civilian Labor Force	thous.	monthly average	21.0	20.7	1.6
Employment	thous.	monthly average	19.3	19.4	−0.8
Unemployment	thous.	monthly average	1.7	1.2	40.1
Unemployment Rate	percent	monthly average	8.1	5.9	37.3
EMPLOYMENT BY INDUSTRY GROUPS (number of jobs)					
TOTAL JOBS—STATE	thous.	monthly average	442.4	445.0	−0.6
SUGAR (mill and field)	thous.	monthly average	8.6	9.1	−6.0
PINEAPPLE (cannery and field)	thous.	monthly average	5.2	5.3	−1.5
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	monthly average	15.8	16.2	−2.1
Durable Goods	thous.	monthly average	3.8	4.2	−10.5
Non-Durable Goods	thous.	monthly average	12.0	11.9	0.9
Apparel and Textiles	thous.	monthly average	2.9	3.0	−3.9
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple but including agricultural self-employed)	thous.	monthly average	8.1	8.3	−2.0
CONSTRUCTION	thous.	monthly average	18.0	21.9	−17.7
TRANSPORTATION	thous.	monthly average	21.7	21.9	−0.8
COMMUNICATION	thous.	monthly average	7.4	7.4	0.5
UTILITIES	thous.	monthly average	2.6	2.6	−1.8
RETAIL TRADE	thous.	monthly average	87.0	86.7	0.3
WHOLESALE TRADE	thous.	monthly average	18.9	18.7	1.0
FINANCE, INSURANCE AND REAL ESTATE	thous.	monthly average	31.7	31.7	−0.1
HOTEL SERVICES—STATE	thous.	monthly average	26.5	24.8	6.8
C&C of Honolulu	thous.	monthly average	14.7	14.5	1.3
Maui County	thous.	monthly average	6.4	5.3	21.8
Hawaii County	thous.	monthly average	3.2	3.0	6.3
Kauai County	thous.	monthly average	2.1	2.0	7.0
OTHER SERVICES	thous.	monthly average	74.6	77.1	−3.3
FEDERAL GOVERNMENT	thous.	monthly average	31.5	30.4	3.8
Civilian Agencies	thous.	monthly average	11.1	10.9	1.7
Defense Department	thous.	monthly average	20.4	19.5	5.0
STATE GOVERNMENT	thous.	monthly average	45.6	45.3	0.8
COUNTY GOVERNMENT	thous.	monthly average	13.2	13.4	−1.5
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	monthly average	14.50	13.13	10.4
Average Weekly Hours	hours	monthly average	35.8	36.2	−1.1
MANUFACTURING					
Average Hourly Earnings	dollars	monthly average	7.96	7.53	5.7
Average Weekly Hours	hours	monthly average	37.9	38.5	−1.6
TRANSPORTATION, COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	monthly average	11.08	9.97	11.1
Average Weekly Hours	hours	monthly average	43.9	43.5	0.9

civilian labor force, employment—hawaii (cont.)

series	unit	period	1982	1981	% change 1982/81
HOURS AND EARNINGS BY INDUSTRY (continued)					
TRADE					
Average Hourly Earnings	dollars	monthly average	6.44	6.03	6.8
Average Weekly Hours	hours	monthly average	33.2	33.0	0.6
FINANCE					
Average Weekly Earnings	dollars	monthly average	222.49	212.64	4.6
HOTELS					
Average Hourly Earnings	dollars	monthly average	6.43	5.94	8.2
Average Weekly Hours	hours	monthly average	32.5	32.6	−0.3

public assistance—hawaii

UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	monthly average	14,137	12,235	15.5
INTRASTATE INITIAL CLAIMS	number	total	89,561	73,056	22.6
INTERSTATE INITIAL CLAIMS[1]	number	total	4,893	4,437	10.3
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	total	80,653	67,157	20.0
PUBLIC ASSISTANCE					
RECIPIENTS[2]					
Income Maintenance	number	monthly average	65,155	71,227	−8.5
Services	number	monthly average	6,720	10,786	−37.7
Medical	number	monthly average	50,095	52,219	−4.1
Food Stamps	number	monthly average	97,917	102,983	−4.9
PAYMENTS					
Income Maintenance	thous. $	total	108,190	114,504	−5.5
Services	thous. $	total	14,561	18,747	−22.3
Medical	thous. $	total	149,307	137,804	8.3
Food Stamps[3]	thous. $	total	71,218	71,161	0.1

[1]*Claims of Mainlanders now residing and seeking employment in Hawaii.*
[2]*Count of recipients is duplicated. A person may be counted in each category.*
[3]*Includes only the government portion of the food stamp purchase.*

Economic Indicators

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Hawaii in 1982: Recap and Outlook

Hawaii's economy continued sputtering weakly in 1982. Tourist arrivals and defense expenditures made good gains, but gains in these major sectors were cancelled by poor performances in a number of other sectors. Sugar, pineapple, and diversified agriculture all had troubles, diversified manufacturing declined, real estate remained depressed, and construction slumped further. Reflecting the weakness of the overall economy, the total number of jobs fell slightly, unemployment insurance claims increased, and retail sales dropped two percent in real terms (after adjustment for inflation). Total personal income for the first three quarters was up less than one percent in real terms, with what increase there was stemming largely from increases in transfer payments (welfare and Social Security) and property income (interest and rents). One bright spot was the slowdown in inflation, but on balance it was another unsatisfactory year.

We expect the economy to show some improvement in 1983. The extremely high interest rates that stifled economic activity for the last couple of years have slid to more tolerable levels. Lower rates will stimulate consumer spending, particularly for durable goods like cars and refrigerators; real estate should begin moving; and homebuilding will pick up. In addition, the rebuilding following Hurricane Iwa, funded largely by outside money in the form of insurance and federal disaster relief payments, will help the depressed construction industry. And tourism and defense, the mainstays of the economy, will continue strong.

Last year tourism rebounded after two flat years, with the visitor count increasing 7.8 percent and passing the four million mark for the first time. The increase was largely due to bargain air fares, thanks to a price-cutting battle between two new low-cost airlines and the established airlines serving the West Coast market. Other factors in the upturn were unusually cold weather in the East and Midwest during the winter months, and the Hawaii '82 campaign, the biggest effort ever undertaken to promote Hawaii tourism. However, more visitor arrivals didn't bring prosperity to the industry: those attracted by the discount fares weren't big spenders, and the many hotel rooms added right through the two-year tourist recession have kept occupancy down and room rates low. Waikiki and Kaanapali enjoyed fairly good occupancy rates, but other resorts suffered. It will take a number of years of increasing visitor flows before the excess hotel room capacity can be absorbed.

For 1983 we are forecasting a 5 percent gain in visitor numbers, a smaller rate of growth than in 1982 but we feel the catch-up factor in 1982 was large, coming on the heels of two flat years. The improving national economy augurs well for the industry, heavy promotion will help, and continued carrier overcapacity should keep air fares competitive.

The defense industry has remained relatively unscathed throughout the recession, even recording a substantial real gain with Washington's efforts to bolster national security. Last year civilian defense employment in Hawaii reached a nine-year high, and military expenditures increased to $1,718 million, up 17.3 percent from 1981. Military spending here will continue to rise in 1983, although probably at a slower rate than last year as there will be a smaller increase in pay rates and as Congress is seeking to trim the Administration's proposed defense budget for 1983-84.

The sugar industry cut its big 1981 loss by a large margin last year, but still ended with a loss for 1982, although some plantations showed a little profit. The industry was held above water by government support programs—price support, tariffs, fees, and import quotas. But such programs are open to attack in Congress, and the long-range future remains in doubt. The oversupply situation is not expected to improve this year because the European Common Market has no plans for a meaningful reduction in planting of its heavily subsidized sugar. So the Hawaii sugar industry is expecting a flat year, at best a small profit.

The pineapple industry is also beset with a world oversupply situation, and not much relief is in sight for this year. Hawaii's production will be cut, some of it permanently. But unless pineapple production is reduced in other areas of the world, our industry faces a tough future.

Diversified agriculture had a poor year in 1982. The dairy industry suffered a major setback with losses resulting from heptachlor contamination. Beef prices were weak, here and nationally. And weather took its toll on most crop areas last year. If the weather is not as destructive in 1983 as it was last year, the industry should resume its upward climb with export markets getting stronger as the national economy improves.

The value of construction put in place in 1982 was down 16.5 percent—not quite as bad as was expected before Hurricane Iwa hit. Declining private and public construction authorizations for the last two years, and the currently overbuilt inventory of hotels, condominiums, shopping centers, and office space made the drop in 1982 inevitable and foreshadowed a further drop for 1983. But the ill winds of the hurricane in November at least blew the construction industry some good—repair work improved the December figures, and rebuilding in 1983 could reverse the industry's decline. Another plus for 1983 is lower interest rates which should spur renewed building of single-family housing (the inventory of new single-family housing is low). There is certainly no big upturn in sight, but the industry should do better than it did last year.

So, with some parts of the economy moving and some still malfunctioning, the ride toward recovery in 1983 is likely to be a slow and bumpy one.

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business activity - hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	January	325,439p	−5.1	−3.3
Westbound	number	January	252,419p	−2.7	−1.6
Eastbound	number	January	73,020p	−12.3	−8.7
AVERAGE DAILY VISITOR CENSUS[1]	number	January	90,113p	−0.6	−8.6
AVERAGE LENGTH OF STAY[1]	no. of days	January	11.1	2.8	−6.7
MEETINGS ATTENDANCE	number	January	25,921	97.3	135.7
ORGANIZED GROUP TOURS	number	January	55,303p	n.c.	−4.5
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	January	125,856p	n.c.	2.1
Hawaii	number	January	61,769p	n.c.	6.7
Kauai	number	January	44,024p	n.c.	−24.6
VISITOR ACCOMMODATIONS					
STATE	number	February	58,765	−0.3	1.4
Oahu	number	February	34,354	−0.7	2.6
Waikiki	number	February	30,108	0.0	3.7
Maui (includes 11 on Lanai)	number	February	12,121	7.0	4.4
Molokai	number	February	628	1.8	13.2
Hawaii	number	February	7,469	4.9	4.2
Kauai	number	February	4,193	−20.2	−18.5
HOTEL OCCUPANCY					
STATE	percent	January	63.38	−1.9	−6.6
Oahu	percent	January	70.62	−1.6	−9.6
Maui	percent	January	65.73	−3.3	−3.6
Hawaii	percent	January	41.80	1.2	10.6
Kauai	percent	January	43.79	1.1	−14.6
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	4th Qtr. 1982	442.3p	−1.8	9.8
Military Payroll	mil. $	4th Qtr. 1982	189.9p	2.0	8.9
Civilian Payroll	mil. $	4th Qtr. 1982	146.7	8.1	8.7
Local Purchases	mil. $	4th Qtr. 1982	105.7p	−17.7	13.3
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan. 1-Feb. 26	62	.....	46.1
N. Y. RAW SUGAR PRICE	$/ton	February	435.24	2.5	22.4
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	January	11.5	−17.9	−30.1
FRESH	thous. lbs.	Jan.-Feb.	35,712	.....	−7.7
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	February	274.8	1.4[3]	4.5
All Urban Consumers, All items	1967=100	February	270.4	0.2[3]	3.2
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	February	515.2	−7.8	3.0
GAS SALES	thous. therms	February	4,427	10.0	0.4
TELEPHONE LINES IN SERVICE	thous.	February	448.7	0.2	3.2

p=*preliminary.*
n.c.=*not comparable. Series have been converted from all westbound visitors to an overnight and longer visitor basis by eliminating intransits. The only back data revised so far cover January 1982.*
[1]*Estimated Westbound.*
[2]*Gross taxable income valued at time of shipment.*
[3]*Compared to December, 1982.*

Tourism

Tourism got off to a bad start in 1983 with a 3.3% drop in visitors in January. The eastbound component (traffic from Japan, Asia, the South Pacific, etc) which fell 8.7% relative to January 1982 was the biggest drag on the January total. The westbound component (traffic arriving from points east of Hawaii - from the Mainland U.S., Canada, etc.) fell 1.6% and accounted for a third of the decline in total visitors. The drop in westbound traffic relative to 1982 was not surprising since early 1982 traffic was phenomenal. An extremely severe winter last year, along with a media blitz timed just right, touting Hawaii's warm weather and blue skies, produced just the right combination to bring the visitors streaming in-

business activity - hawaii [cont.]

series	unit	period	number	percent change: from preceding period	percent change: year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	January	97.3	−16.2	−13.1
PRIVATE PERMITS AUTHORIZED	mil. $				
RESIDENTIAL					
STATE	thous. $	Jan.-Oct. 1982	264,938	.....	−38.8
C&C of Honolulu	thous. $	Jan.-Feb.	22,722	.....	169.0
Maui County	thous. $	Jan.-Oct. 1982	32,234	.....	−72.1
Hawaii County	thous. $	Jan.-Feb.	6,216	.....	3.8
Kauai County	thous. $	Jan.-Feb.	5,653	.....	−13.1
SINGLE FAMILY UNITS					
STATE	number	Jan.-Oct. 1982	1,802	.....	−17.2
C&C of Honolulu	number	Jan.-Feb.	296	.....	745.7
Maui County	number	Jan.-Oct. 1982	461	.....	28.4
Hawaii County	number	Jan.-Feb.	66	.....	−50.4
Kauai County	number	Jan.-Feb.	28	.....	−34.9
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Oct. 1982	2,566	.....	−29.3
C&C of Honolulu	number	Jan.-Feb.	10	.....	−41.2
Maui County	number	Jan.-Oct. 1982	122	.....	−88.8
Hawaii County	number	Jan.-Feb.	2	.....	+
Kauai County	number	Jan.-Feb.	0	.....	−100.0
NONRESIDENTIAL					
STATE	thous. $	Jan.-Oct. 1982	284,831	.....	−4.8
C&C of Honolulu	thous. $	Jan.-Feb.	14,460	.....	−39.3
Maui County	thous. $	Jan.-Oct. 1982	53,856	.....	111.5
Hawaii County	thous. $	Jan.-Feb.	1,939	.....	−50.8
Kauai County	thous. $	Jan.-Feb.	3,451	.....	55.5
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Mar.	99,800	.....	48.2
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Mar.	12,228	.....	−42.1
STATE	thous. $	Jan.-Mar.	55,361	.....	97.2
COUNTY	thous. $	Jan.-Mar.	32,212	.....	77.5
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Mar.	84,049	.....	58.0
Maui County	thous. $	Jan.-Mar.	4,446	.....	−56.2
Hawaii County	thous. $	Jan.-Mar.	9,991	.....	207.0
Kauai County	thous. $	Jan.-Mar.	1,315	.....	85.2
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	March	324.0	1.3	7.6
HIGH-RISE	1967=100	March	348.7	1.1	6.8
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	January	1,769.9	−1.2	−8.8
DIVERSIFIED MANUFACTURING	mil. $	January	38.0	−10.0	−34.5
DIVERSIFIED AGRICULTURE	mil. $	January	14.8	−15.7	−20.6
RETAILING	mil. $	January	702.8	9.8	−5.2
WHOLESALING	mil. $	January	453.0	1.6	−10.6
SERVICES	mil. $	January	345.8	−14.5	−9.5
OAHU NEW CAR SALES	number	January	2,553	−54.1	15.9

n.c.=*not comparable.*

to the Islands. Mainland weather this year hasn't been nearly as severe... The big January increase in meetings attendance in Hawaii is somewhat deceiving, as it didn't result from an influx of people here from out of state but rather from an increase in local gatherings... Westbound traffic to Kauai in January was still depressed relative to last year as the effects of Hurricane Iwa lingered... The Hawaii Visitors Bureau just released the new February 1983 Visitor Plant Inventory which showed a 0.3% decline in the room count since last October. The decline was attributed mainly to the island of Kauai where nine properties were still inoperable because of the hurricane and the room count dropped from 5,254 last October to 4,193 in February. There

finance-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	February	5,390.7	5.1	9.5
Honolulu County	mil. $	February	4,434.3	5.0	8.4
Maui County	mil. $	February	341.3	6.0	12.5
Hawaii County	mil. $	February	404.2	4.1	12.8
Kauai County	mil. $	February	210.9	7.2	22.0
BANK DEMAND DEPOSITS					
STATE	mil. $	February	1,154.3	5.7	2.4
Honolulu County	mil. $	February	968.5	6.0	2.3
Maui County	mil. $	February	74.9	0.9	−4.1
Hawaii County	mil. $	February	75.5	5.2	3.2
Kauai County	mil. $	February	35.4	8.2	18.9
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	February	7,136.4	−10.6	6.9
Honolulu County	mil. $	February	6,567.8	−10.7	7.0
Maui County	mil. $	February	231.0	−15.3	6.3
Hawaii County	mil. $	February	234.0	−6.3	2.4
Kauai County	mil. $	February	103.6	−3.4	17.1
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	February	76.25	−4.7	5.4
Honolulu County	annual rate	February	83.77	−4.1	5.8
Maui County	annual rate	February	37.18	−11.8	5.1
Hawaii County	annual rate	February	38.13	−3.5	2.0
Kauai County	annual rate	February	36.54	−7.5	2.8
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous. $	February	92,240	−21.1	−11.4
	thous. $	Jan.-Feb.	209,106	.....	6.8
Honolulu County	thous. $	February	80,417	−20.5	−12.6
	thous. $	Jan.-Feb.	181,622	.....	5.9
Maui County	thous. $	February	4,849	−21.8	2.9
	thous. $	Jan.-Feb.	10,048	.....	7.1
Hawaii County	thous. $	February	4,850	−29.8	−10.5
	thous. $	Jan.-Feb.	11,756	.....	8.1
Kauai County	thous. $	February	2,124	−16.9	9.6
	thous. $	Jan.-Feb.	4,680	.....	15.3

[1]*Excludes property taxes which were formerly collected by the State but are now collected by the Counties.*

employment and unemployment-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	February	464.3p	1.3	1.9
Employment	thous.	February	438.2p	1.2	2.9
Unemployment	thous.	February	26.1p	1.8	−12.3
Unemployment Rate	percent	February	5.6p	0.0	−13.8
C & C OF HONOLULU					
Civilian Labor Force	thous.	February	356.2p	1.4	1.8
Employment	thous.	February	338.4p	1.3	2.9
Unemployment	thous.	February	17.8p	3.0	−15.1
Unemployment Rate	percent	February	5.0p	2.0	−16.7
MAUI COUNTY					
Civilian Labor Force	thous.	February	42.4p	0.7	4.3
Employment	thous.	February	39.3p	0.5	5.0
Unemployment	thous.	February	3.1p	2.6	−3.6
Unemployment Rate	percent	February	7.3p	1.4	7.6
HAWAII COUNTY					
Civilian Labor Force	thous.	February	44.6p	0.6	0.7
Employment	thous.	February	40.8p	0.2	1.1
Unemployment	thous.	February	3.8p	5.4	−3.9
Unemployment Rate	percent	February	8.5p	4.9	−4.5
KAUAI COUNTY					
Civilian Labor Force	thous.	February	21.0p	1.2	0.2
Employment	thous.	February	19.6p	3.2	1.4
Unemployment	thous.	February	1.4p	−20.2	−14.0
Unemployment Rate	percent	February	6.6p	−20.5	−14.3
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE	thous.	February	438.9p	0.9	−0.2
SUGAR (mill and field)	thous.	February	8.4p	1.1	−3.1
PINEAPPLE (cannery and field)	thous.	February	4.0p	−4.3	14.7
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	February	15.5p	0.9	−3.3
Durable Goods	thous.	February	3.5p	0.9	−11.7
Non-Durable Goods	thous.	February	12.0p	0.9	−0.6
Apparel and Textiles	thous.	February	2.6p	−2.1	−9.5
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed)	thous.	February	7.3p	2.9	−1.4
CONTRACT CONSTRUCTION	thous.	February	17.3p	0.0	−8.6
TRANSPORTATION	thous.	February	21.0p	−1.8	−1.3
COMMUNICATION	thous.	February	7.3p	0.1	−1.7
UTILITIES	thous.	February	2.4p	0.5	−6.9
RETAIL TRADE	thous.	February	85.9p	−0.6	−0.4
WHOLESALE TRADE	thous.	February	19.1p	0.3	1.3
FINANCE, INSURANCE AND REAL ESTATE	thous.	February	31.2p	−1.2	−2.6
HOTEL SERVICES-STATE	thous.	February	26.1p	0.2	−2.2
Honolulu County	thous.	February	14.5p	−0.9	−1.6
Maui County	thous.	February	6.5p	−0.2	1.9
Hawaii County	thous.	February	3.2p	−0.7	−2.6
Kauai County	thous.	February	1.9p	14.5	−17.7
OTHER SERVICES	thous.	February	75.3p	1.7	−0.5
FEDERAL GOVERNMENT	thous.	February	32.1p	0.6	3.7
Civilian Agencies	thous.	February	11.1p	0.7	3.4
Defense Department	thous.	February	21.0p	0.6	3.8
STATE GOVERNMENT	thous.	February	47.5p	6.8	3.6
COUNTY GOVERNMENT	thous.	February	12.4p	0.0	1.7
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	February	15.44p	−0.7	10.4
Average Weekly Hours	hours	February	38.4p	−2.3	11.3
MANUFACTURING					
Average Hourly Earnings	dollars	February	8.25p	−0.7	3.3
Average Weekly Hours	hours	February	38.9p	1.0	4.0
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	February	11.18p	−0.3	4.7
Average Weekly Hours	hours	February	42.5p	−1.2	−3.6
TRADE					
Average Hourly Earnings	dollars	February	6.70p	−0.3	6.0
Average Weekly Hours	hours	February	32.6p	−1.5	−0.6
FINANCE					
Average Weekly Earnings	dollars	February	227.55p	−9.1	3.8
HOTELS					
Average Hourly Earnings	dollars	February	6.72p	−1.3	2.6
Average Weekly Hours	hours	February	33.0p	3.1	−0.9

p = *preliminary.*
n.c. = *not comparable.*

was a 7% gain in rooms on Maui from 11,327 to 12,121. Most of the increase was in the Kahaina-Kaanapali-Napili resort area where 563 more rooms were available. The Kaanapali Alii condo opened up 120 additional units, the Kahana Villa condo opened its first 80 units, the Sands of Kahana condo added 82 units, and the Royal Lahaina Hotel's new addition added 196 rooms. The balance of the increase in the Maui inventory occurred in the Kihei-Maalaea-Wailea market area where there were 215 more rooms available. On the Big Island the inventory increased 4.9% from 7,119 to 7,469 units as the new Mauna Lani Bay Hotel opened on the South Kohala Coast with 351 rooms.

Construction

Private building permits signal a significant upturn in single-family home construction on Oahu in 1983. In the first two months of the year permits were issued for the building of 296 homes versus permits for only 35 homes in January-February last year.

Construction in the public works area has also gotten off to a good start this year with the value of contracts up 55.5% over the first quarter of 1982. The big increases are at the state and county government levels and by location are on Oahu and the Big Island. On Oahu sizable projects include a wastewater project in Ahuimanu for which $9 million in contracts have been awarded; the H-3 Halekou Interchange, a $15.6 million project which is underway near Hawaiian Memorial Park in Kaneohe; and continued work on H-1, for which $14.9 million in contracts have been awarded so far this year. On the Big Island, a $7.2 million contract was let for work on the Hawaii Belt Road between Palani Road and the Kolohana Subdivision.

public assistance-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	February	16,417	2.2	17.4
INTRASTATE INITIAL CLAIMS	number	February	6,128	−24.9	12.2
INTERSTATE INITIAL CLAIMS	number	February	425	−22.6	13.9
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	February	7,360	−6.6	16.3
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no. persons	February	64,699	0.0	−2.6
Services	no. cases	4th Qtr. 1982	6,314	−8.3	−23.4
Medical	no. patients	February	51,204	7.5	3.7
Food Stamps	no. persons	January	102,818	−0.1	7.2
PAYMENTS					
Income Maintenance	thous. $	February	9,091	−0.8	0.0
Services	thous. $	4th Qtr. 1982	3,690	−5.1	9.3
Medical	thous. $	February	12,604	3.6	17.4
Food Stamps	thous. $	January	6,842	−6.9	27.1

[1]*Count of recipients is duplicated. A person may be counted in each category.*

population, personal income-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
POPULATION					
DE FACTO—STATE	number	July 1, 1981	1,066,000p	.....	1.3
TOTAL RESIDENT—STATE	number	July 1, 1982	994,000p	.....	1.5
C & C of Honolulu	number	July 1, 1982	775,000e	.....	1.0
Maui County	number	July 1, 1982	80,000e	.....	5.6
Hawaii County	number	July 1, 1982	98,000e	.....	2.3
Kauai County	number	July 1, 1982	41,000e	.....	2.2
CIVILIAN RESIDENT—STATE	number	July 1, 1982	939,000e	.....	1.8
MILITARY PERSONNEL—STATE	number	July 1, 1982	61,107	.....	−0.7
Ashore	number	July 1, 1982	54,184	.....	17.1
Afloat	number	July 1, 1982	6,923	.....	−54.7
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1982	66,709	.....	3.7
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 3/83	5,849	.....	−16.1
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	3rd Qtr. 1982	11,626	1.8	6.3
Employment Income[2]	mil. $	3rd Qtr. 1982	8,487	1.4	5.0
Manufacturing	mil. $	3rd Qtr. 1982	455	5.3	6.1
Construction & Mining[3]	mil. $	3rd Qtr. 1982	488	−2.2	−10.3
Wholesale	mil. $	3rd Qtr. 1982	359	0.8	3.2
Retail	mil. $	3rd Qtr. 1982	983	2.6	4.9
Finance, Ins. & Real Estate	mil. $	3rd Qtr. 1982	553	2.4	2.6
Trans., Comm., & Util.	mil. $	3rd Qtr. 1982	791	0.6	3.1
Services	mil. $	3rd Qtr. 1982	1,856	3.1	8.1
Farm & Other[4]	mil. $	3rd Qtr. 1982	228	0.0	−1.3
Federal Civilian	mil. $	3rd Qtr. 1982	766	2.0	8.0
Federal Military	mil. $	3rd Qtr. 1982	953	−4.1	8.5
State & Local	mil. $	3rd Qtr. 1982	1,008	2.5	7.3
Property Income (Dividends, Interest, Rent)	mil. $	3rd Qtr. 1982	2,162	2.4	10.5
Transfer Payments (1,538) minus Personal Contributions For Social Ins. (561)	mil. $	3rd Qtr. 1982	977	3.8	8.1
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1981	11,036r	.....	8.2
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1980	10,492	.....	11.2
Maui County	dollars	1980	8,871	.....	10.4
Hawaii County	dollars	1980	8,400	.....	9.6
Kauai County	dollars	1980	8,472	.....	10.4

e = *estimated. Provisional estimated prepared by the State Department of Planning and Economic Development for interim use. Subject to revision once official Bureau of the Census figures are released.*
p = *preliminary.*
r = *revised.*
** *Total personal income and all components are seasonally adjusted at annual rates.*
[1] *These immigration statistics include only those entering Honolulu ports and do not include status changes.*
[2] *Includes wage and salary disbursements, proprietors' income, and other labor income.*
[3] *Income from mining not shown separately to avoid disclosure of confidential information.*
[4] *Income from agricultural services, forestry, fisheries and other not shown separately to avoid disclosure of confidential information.*

u. s. economic indicators

series	unit	period	number	percent change: from preceding period	percent change: year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967=100	February	148.3p	1.4	9.3
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	4th Qtr. 1982	3,108.2r	0.6	3.5
In 1972 Dollars	bil. $	4th Qtr. 1982	1,477.2r	−0.3	−0.9
PERSONAL INCOME**	bil. $	February	2,643.1p	0.1	5.1
RETAIL SALES*	mil. $	February	91,745p	−0.4	4.2
INDUSTRIAL PRODUCTION*	1967=100	February	137.3p	0.3	−3.9
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	January	55,908.8p	−6.6	11.3
TURNOVER OF DEMAND DEPOSITS**	annual rate	January	215.0p	−6.0	13.2
BANK LOANS*	bil. $	February	1,048.4p	0.3	6.4
AVERAGE PRIME RATE CHARGED BY BANKS	percent	March	10.50	−4.3	−36.4
CONSUMER INSTALLMENT DEBT*	mil. $	January	342,245	0.9	4.3
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	January	255.5p	8.9	13.5
CONSTRUCTION COST INDEXES					
Residences	1967=100	November	330.2	0.9	7.7
Apts, Hotel, Office Bldgs	1967=100	November	334.7	0.8	8.2
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	February	99,063	0.0	−0.6
UNEMPLOYMENT*	thous.	February	11,490	0.4	18.8
UNEMPLOYMENT RATE*	percent	February	10.4	0.0	18.2
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	February	292.3	0.1	3.3
All Urban Consumers	1967=100	February	293.2	0.0	3.5
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	February	283.4	0.1	2.1
All Commodities	1967=100	February	301.2	0.4	0.9

r = *revised.*
n.a. = *not available.*
p = *preliminary.*
[1] *Compared to May, 1982.*
* *Seasonally adjusted.*
** *Seasonally adjusted at annual rates.*

Tax Collections

Ar-r-gh! February tax collections fell 21% relative to January and 11% relative to February last year. Part of this plunge can be explained by payment dates as the general excise tax on the gross income of businesses is due the last day of the month succeeding the sale, and January 31, both in 1981 and 1982 fell on weekends and so collections spilled over into February, ballooning February collections, a phenomenon that didn't repeat itself this year. But that's only part of the answer. The rest?? But be assured, readers, it's not as bad as it seems. Month-to-month changes in tax collections can be very misleading. Year-to-date figures are much more meaningful and for the first two months of this year total collections are 6.8% ahead of last year.

Kauai presented quite a different picture from the rest of the state with respect to February tax collections. The State collected 9.6% more in taxes on Kauai in February than it did in February 1982. That's in contrast to the 11.4% decline in February collections statewide. The extensive repair and clean-up work necessitated by Hurricane Iwa really stepped up spending on the island.

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

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A Bimonthly Report by the Research Department — *Helen L. Bevens, Editor* — *May/June 1983*

The Film Industry in Hawaii

Hawaii's chances of attracting new industries are limited by our isolated location, lack of natural resources, and determination to preserve the scenery. The plain fact is that there isn't much here to attract new industry **except** the scenery, plus the climate. As a result the visitor industry is our biggest success. But tourism is vulnerable, and we would like to have our economic eggs in a few more baskets, so we are always hoping for new industries—provided they don't mar the scenery.

One industry which fits our specifications almost perfectly is filmmaking—shooting movies, TV shows, and TV commercials amidst Hawaii's scenic backdrops. Last year the $31 million spent in Hawaii by filmmakers was more than the value of cattle sales or macadamia nuts or flowers and foliage. Of course $31 million is less than one percent of the revenues we derive from the visitor industry, but every little bit helps.

Hawaiian scenery has appeared in 116 movies during the last 70 years, from *Hawaiian Love* and *The Shark God*, which were filmed here in 1913, to notable productions like *South Pacific* and *The Old Man and the Sea*. By the 1970s, when CBS was spending $9 million here annually on the TV series "Hawaii Five-0," government officials began to sit up and take notice of the economic possibilities of this somewhat oddball industry. In 1978 the State Department of Planning and Economic Development set up the Hawaii Film Office to promote Hawaii's advantages as a location for filming and to provide assistance to producers who come. Dr. Henry L. Wong, manager of this small, low-budget office, advertises Hawaii in trade publications like *The Hollywood Reporter* and *Variety*, phones producers who may be considering a Hawaii location, suggests places to shoot, makes arrangements for permits, helps Japanese TV crews with visa problems, etc. Thanks at least in part to Wong's work, there were 66 motion pictures and TV features plus over 240 foreign TV commercials filmed here in 1982. Currently, the popular "Magnum P.I." TV series is spending around $20 million a season filming in Hawaii.

Hawaii's advantages for filmmakers are the varied locations within short distances (mountains, ocean, beaches, boats, gardens, rain forests, temples, posh restaurants, dilapidated shacks, grand mansions, busy city streets, small towns), no billboards to block views, clear air, good weather, a diverse population, and plenty of excellent hotel accommodations.

Hawaii's biggest disadvantage from the filmmakers' viewpoint has been the cumbersome problem of getting assorted government permits required for using beaches, parks, streets, or any other public area for commercial filming. The problem was alleviated to some extent in the past by efforts of the Hawaii Film Office to expedite the permit process, and should be simplified further by the Legislature's recent passage of a bill to allow "one-stop shopping" for filmmakers seeking permits to shoot in Hawaii. Still, as Hideto Kono (former director of the Department of Planning and Economic Development) pointed out, the film industry should be encouraged but the State must also protect parks and historic places from misuse and allow its own residents to enjoy the beaches; visiting filmmakers "must be educated, too—they just can't come here and take over."

Another disadvantage for filmmakers who come to Hawaii has been the lack of support services such as sound stages, post-production facilities, etc. Now the support services are beginning to sprout. For years the only soundproofed studio in Hawaii was the State-owned studio at Diamond Head built by CBS to film "Hawaii Five-O." Universal Television's "Magnum P.I." is using it now on a month-to-month revocable lease, but it is slated to be turned over to Kapiolani Community College for classrooms. Meanwhile Gentry-Pacific Inc. has built a smaller studio at Waipio, not yet soundproofed though it could be if Gentry had a tenant. Hawaii International Studio has completed a sound stage at Halawa Central Park, and Aloha Studios is planning a movie studio complex in Pearl City. Also needed are adequate post-production services (one major company is considering coming into Hawaii) and screening rooms (at present visiting filmmakers have to use theaters at off-hours or fly their footage back to California or Japan to view it). As such facilities and services increase, Hawaii will be able to handle more of the film industry's requirements and gain a bigger share of the gross budgets for productions. But the pioneers may have to hang in for a while until it all comes together.

The advantages to Hawaii of encouraging filmmaking here are obvious: it doesn't pollute, it brings in money, it creates jobs (for all kinds of workers, from truck drivers to film editors), it helps fill hotel rooms and restaurants with visiting crews, it promotes tourism by showing Hawaii's colorful scenery on TV and movie screens in faraway places, and it is fun to watch (look at Hanapepe turned into old Australia, or beautiful models posing by sailboats on the beach). Disadvantages of the film industry for Hawaii are minor: (1) income for Hawaii is not as steady and dependable as that from defense expenditures—but no income source is absolutely steady and dependable; (2) many of the jobs are temporary, as filmmakers come and go—but even a three-day job as an extra could be the start of a show-biz career; and (3) setting up and shooting scenes sometimes blocks off parts of our beaches and streets—but only temporarily, and all the equipment soon vanishes without a trace. Therefore let us be patient with the inconveniences of this rather attractive industry, and give our warmest aloha to the filmmakers.

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business activity - hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	April	319,455p	-19.2	-7.1
	number	Jan.-April	1,385,382p	.....	-0.9
Westbound	number	April	246,457p	-22.2	-6.2
	number	Jan.-April	1,089,194p	.....	-0.2
Eastbound	number	April	72,998p	-6.9	-9.9
	number	Jan.-April	296,188p	.....	-3.6
AVERAGE DAILY VISITOR CENSUS[1]	number	April	81,195p	-20.1	-9.9
AVERAGE LENGTH OF STAY[1]	no. of days	April	9.9	-6.6	-3.9
MEETINGS ATTENDANCE	number	April	19,567	0.0	31.9
ORGANIZED GROUP TOURS	number	April	69,596p	-4.5	4.4
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	April	123,654p	-20.8	-3.5
	number	Jan.-April	549,209p	.....	0.9
Hawaii	number	April	50,963p	-25.1	1.9
	number	Jan.-April	248,462p	.....	8.5
Kauai	number	April	48,852p	-14.2	-19.2
	number	Jan.-April	203,148p	.....	-18.8
VISITOR ACCOMMODATIONS					
STATE	number	February	58,765	-0.3	1.4
Oahu	number	February	34,354	-0.7	2.6
Waikiki	number	February	30,108	0.0	3.7
Maui (includes 11 on Lanai)	number	February	12,121	7.0	4.4
Molokai	number	February	628	1.8	13.2
Hawaii	number	February	7,469	4.9	4.2
Kauai	number	February	4,193	-20.2	-18.5
HOTEL OCCUPANCY					
STATE	percent	April	65.29	-18.2	-4.2
Oahu	percent	April	71.36	-18.8	-4.3
Maui	percent	April	72.85	-17.3	-2.3
Hawaii	percent	April	40.84	-17.9	-2.8
Kauai	percent	April	47.84	-17.0	-14.5
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	1st Qtr.	482.4p*	7.7	20.5
Military Payroll	mil. $	1st Qtr.	184.7p*	0.4	10.4
Civilian Payroll	mil. $	1st Qtr.	131.4p*	-9.8	11.5
Local Purchases	mil. $	1st Qtr.	166.3p*	40.5	44.3
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan.-April	214	.....	82.1
N.Y. RAW SUGAR PRICE	$/ton	April	448.35	2.7	25.6
PINEAPPLE SHIPMENTS					
CANNED[2]	mil. $	Jan.-Mar.	32.6	.....	-26.5
FRESH	thous. lbs.	Jan.-April	76,642	.....	-14.3
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All Items	1967=100	April	276.9	0.8[3]	4.8
All Urban Consumers, All Items	1967=100	April	272.8	0.9[3]	3.6
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	April	548.9	-4.4	3.5
GAS SALES	thous. therms	April	4,069	-1.6	-6.1
TELEPHONE LINES IN SERVICE	thous.	April	450.0	0.1	3.2

p=preliminary.
[1]Estimated Westbound.
[2]Gross taxable income valued at time of shipment.
[3]Compared to February, 1983.
*Coast Guard figures not included.

Sugar

Hawaiian sugar production through April was 82% ahead of the same period in 1982 when heavy rains, the worst this century, delayed harvesting. Conditions in the early part of this year were just the reverse -- drought conditions prevailed, an aid to harvesting. The industry has revised its 1983 production forecast upward to 1,064,912 tons, the biggest harvest since 1975 when the total was 1,107,199 tons, and 3.2% above the average for the years since 1975.

Construction

The giant plunge in government contracts through May -- down 31% relative to Jan.-May 1982 -- resulted from the $47.2 million contract awarded for the Barbers Point deep draft harbor in April of last year versus the lack of any contract even close to that size so far this year. However, private authorizations continue strong (up 33%) thanks to close to a doubling in authorizations in the single-family sector (Maui included only for January as later data are not available). The multiple family residential sector (down 71%) and nonresidential construction (down 14%) continued weak.

business activity - hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	Jan.-Mar.	318.5	.....	-11.3
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	January	21,060	.....	80.2
C&C of Honolulu	thous. $	Jan.-April	50,653	.....	116.8
Maui County	thous. $	January	2,375	.....	28.9
Hawaii County	thous. $	Jan.-April	19,856	.....	51.8
Kauai County	thous. $	Jan.-April	29,833	.....	123.1
SINGLE FAMILY UNITS					
STATE	number	January	314	.....	122.7
C&C of Honolulu	number	Jan.-April	585	.....	431.8
Maui County	number	January	40	.....	42.9
Hawaii County	number	Jan.-April	286	.....	-6.8
Kauai County	number	Jan.-April	78	.....	-3.7
MULTIPLE FAMILY UNITS					
STATE	number	January	6	.....	50.0
C&C of Honolulu	number	Jan.-April	18	.....	-79.3
Maui County	number	January	0	.....	0.0
Hawaii County	number	Jan.-April	35	.....	-
Kauai County	number	Jan.-April	6	.....	-94.9
NONRESIDENTIAL					
STATE	thous. $	January	10,610	.....	-18.6
C&C of Honolulu	thous. $	Jan.-April	39,468	.....	-33.8
Maui County	thous. $	January	897	.....	49.0
Hawaii County	thous. $	Jan.-April	12,967	.....	119.9
Kauai County	thous. $	Jan.-April	8,575	.....	54.6
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-May	113,520	.....	-31.2
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-May	13,825	.....	-84.7
STATE	thous. $	Jan.-May	60,547	.....	26.2
COUNTY	thous. $	Jan.-May	39,148	.....	47.6
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-May	93,594	.....	-29.2
Maui County	thous. $	Jan.-May	6,353	.....	-69.4
Hawaii County	thous. $	Jan.-May	10,594	.....	-7.2
Kauai County	thous. $	Jan.-May	2,979	.....	-47.9
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	May	328.9	1.5	8.8
HIGH-RISE	1967=100	May	350.2	0.4	7.0
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	Jan.-Mar.	5,141.5	.....	-1.3
DIVERSIFIED MANUFACTURING	mil. $	Jan.-Mar.	109.6	.....	-26.9
DIVERSIFIED AGRICULTURE	mil. $	Jan.-Mar.	50.2	.....	8.3
RETAILING	mil. $	Jan.-Mar.	1,862.9	.....	-1.3
WHOLESALING	mil. $	Jan.-Mar.	1,268.3	.....	0.2
SERVICES	mil. $	Jan.-Mar.	1,174.2	.....	2.0
OAHU NEW CAR SALES	number	March	2,439	7.7	16.9

finance-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	April	5,561.6	−0.5	11.9
Honolulu County	mil. $	April	4,594.4	−0.6	10.8
Maui County	mil. $	April	347.4	−0.6	17.5
Hawaii County	mil. $	April	407.5	0.2	14.2
Kauai County	mil. $	April	212.3	−0.5	23.0
BANK DEMAND DEPOSITS					
STATE	mil. $	April	1,135.7	−3.3	0.7
Honolulu County	mil. $	April	962.7	−3.5	−0.2
Maui County	mil. $	April	75.5	0.0	8.7
Hawaii County	mil. $	April	74.3	−3.1	−0.2
Kauai County	mil. $	April	33.2	−5.3	14.2
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	April	7,307.0	−9.3	−0.5
Honolulu County	mil. $	April	6,721.9	−9.4	−0.3
Maui County	mil. $	April	246.5	−11.4	−4.1
Hawaii County	mil. $	April	242.2	−4.6	−2.7
Kauai County	mil. $	April	96.3	−13.9	1.6
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	April	75.92	−8.6	−4.6
Honolulu County	annual rate	April	83.18	−8.6	−4.3
Maui County	annual rate	April	39.16	−11.7	−7.7
Hawaii County	annual rate	April	38.50	−3.8	−4.6
Kauai County	annual rate	April	33.86	−11.2	−9.8
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous. $	Jan.–April	406,635	....	13.7
Honolulu County	thous. $	Jan.–April	354,490	....	12.0
Maui County	thous. $	Jan.–April	21,321	....	29.7
Hawaii County	thous. $	Jan.–April	20,922	....	16.0
Kauai County	thous. $	Jan.–April	9,901	....	47.3

[1]Excludes property taxes which were formerly collected by the State but are now collected by the Counties.

Business Sales

General excise tax collections, taxes paid on the gross income of all businesses, fell 4.2% in April and held the cumulative total of business receipts to a negative 1.3% for the first quarter. (The figures are lagged a month to better approximate the time of sale as taxes are due at the end of the month following the sale.) The decline is probably partly attributable to April 30 falling on a weekend resulting in some spillover of April taxes into May. May collections should move the cumulative gain of gross business receipts for the calendar year into positive territory.

Tax Collections

While general excise tax collections lost ground in April, total tax collections took a quantum leap -- up 35.3% relative to April 1982. The State tax office attributed the increase to a $24.3 million decline in individual tax refunds resulting from a decrease in the general tax credit this year from $100 to $25 per exemption. When the refund effect is eliminated from the comparison, the increase in total tax collections returns to a more normal 5.0%.

employment and unemployment-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	April	464.1p	−0.3	1.0
Employment	thous.	April	435.8p	−0.7	1.7
Unemployment	thous.	April	28.3p	5.4	−9.1
Unemployment Rate	percent	April	....	....	....
C & C OF HONOLULU					
Civilian Labor Force	thous.	April	355.5p	−0.4	0.7
Employment	thous.	April	336.3p	−0.7	1.7
Unemployment	thous.	April	19.1p	4.6	−13.7
Unemployment Rate	percent	April	5.4p	5.9	−14.3
MAUI COUNTY					
Civilian Labor Force	thous.	April	42.6p	−0.3	3.0
Employment	thous.	April	39.4p	−0.4	2.2
Unemployment	thous.	April	3.2p	1.0	15.5
Unemployment Rate	percent	April	7.5p	1.4	11.9
HAWAII COUNTY					
Civilian Labor Force	thous.	April	45.2p	0.6	1.7
Employment	thous.	April	40.7p	−0.5	1.9
Unemployment	thous.	April	4.5p	11.7	1.1
Unemployment Rate	percent	April	9.9p	11.2	−1.0
KAUAI COUNTY					
Civilian Labor Force	thous.	April	20.8p	−0.8	0.0
Employment	thous.	April	19.3p	−1.4	1.0
Unemployment	thous.	April	1.5p	8.2	−11.8
Unemployment Rate	percent	April	7.2p	9.9	−11.1
JOB COUNT BY INDUSTRY					
TOTAL JOBS STATE	thous.	April	440.4p	0.1	−0.2
SUGAR (mill and field)	thous.	April	8.3p	1.2	−2.4
PINEAPPLE (canning and field)	thous.	April	4.4p	14.2	−8.2
DIVERSIFIED MANUFACTURING					
(excluding sugar and pineapple)	thous.	April	15.2p	−1.7	−3.8
Durable Goods	thous.	April	3.5p	−0.3	−11.5
Non-Durable Goods	thous.	April	11.7p	−2.1	−1.7
Apparel and Textiles	thous.	April	2.6p	1.1	−10.2
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple but including agricultural self-employed)	thous.	April	7.3p	−1.3	−4.0
CONTRACT CONSTRUCTION	thous.	April	16.9p	−0.4	−6.6
TRANSPORTATION	thous.	April	20.6p	−0.2	−4.4
COMMUNICATION	thous.	April	7.3p	−0.2	−1.0
UTILITIES	thous.	April	2.4p	0.3	−5.8
RETAIL TRADE	thous.	April	86.4p	0.2	0.5
WHOLESALE TRADE	thous.	April	19.2p	−0.2	2.1
FINANCE, INSURANCE AND REAL ESTATE	thous.	April	31.6p	0.2	−0.3
HOTEL SERVICES-TOTAL	thous.	April	26.7p	1.7	−0.9
Honolulu County	thous.	April	15.0p	3.0	0.7
Maui County	thous.	April	6.6p	0.3	0.0
Hawaii County	thous.	April	3.3p	1.2	1.5
Kauai County	thous.	April	1.8p	−1.9	−20.0
OTHER SERVICES	thous.	April	74.6p	−0.5	0.3
FEDERAL GOVERNMENT	thous.	April	32.2p	0.0	2.7
Civilian Agencies	thous.	April	11.2p	0.2	2.8
Defense Department	thous.	April	21.0p	−0.1	2.7
STATE GOVERNMENT	thous.	April	48.5p	−0.2	0.7
COUNTY GOVERNMENT	thous.	April	12.6p	0.7	0.4
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	April	15.59p	−0.1	9.6
Average Weekly Hours	hours	April	38.5p	0.8	4.1
MANUFACTURING					
Average Hourly Earnings	dollars	April	8.32p	0.8	5.3
Average Weekly Hours	hours	April	38.8p	−1.3	6.9
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	April	11.35p	0.1	7.4
Average Weekly Hours	hours	April	42.2p	−0.9	−2.5
TRADE					
Average Hourly Earnings	dollars	April	6.67p	−0.7	4.2
Average Weekly Hours	hours	April	33.3p	1.2	0.9
FINANCE					
Average Weekly Earnings	dollars	April	234.26p	2.6	7.8
HOTELS					
Average Hourly Earnings	dollars	April	6.80p	0.9	7.3
Average Weekly Hours	hours	April	32.5p	−0.6	0.3

p=preliminary

public assistance-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	April	15,742	2.0	14.4
INTRASTATE INITIAL CLAIMS	number	April	5,737	−8.0	−31.6
INTERSTATE INITIAL CLAIMS	number	April	350	−20.3	9.7
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	April	7,153	−5.5	−2.3
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no. /persons	April	64,380	−0.5	−0.3
Services	no. /cases	1st Qtr	6,730	6.6	−3.4
Medical	no. /patients	April	57,599	11.6	2.5
Food Stamps	no. /persons	March	103,648	0.5	8.4
PAYMENTS					
Income Maintenance	thous. $	April	8,992	−1.8	0.3
Services	thous. $	1st Qtr	3,559	−3.6	1.2
Medical	thous. $	April	16,383	17.2	8.4
Food Stamps	thous. $	March	6,911	0.8	25.2

[1]Count of recipients is duplicated. A person may be counted in each category.

Banking

The shift in funds from regular checking accounts (demand deposit accounts) to the new super NOW, interest-bearing checking accounts and money market accounts which are not classified as demand deposits but show up in deposit totals, is obvious. Demand deposits in April were up only 0.7% over April 1982 whereas the increase in the aggregate of other kinds of deposits (total deposits less demand accounts) was 15.2%.

Personal Income

Total and per capita personal income figures for the state for 1982 and for the counties for 1981 were recently released by the U.S. Dept. of Commerce. For the state, increases both for total and per capita personal income in 1982 just about matched average increases nationally -- 6.7% increase in Hawaii TPI vs. 6.4% for the U.S., and 5.2% increase on a per capita basis vs. 5.3% nationally. Hawaii was headed for a considerably better performance relative to average -- the increase for the first 3 quarters was 7.2% vs. 6.6% nationally -- until Hurricane Iwa hit in November which held any increase in Hawaii's 4th quarter TPI in check.

population, personal income-hawaii

series	unit	period	number	percent change: from preceding period	percent change: year ago
POPULATION					
DE FACTO—STATE	thous.	July 1, 1982	1,084p	....	1.9
TOTAL RESIDENT—STATE	thous.	July 1, 1982	994p	....	1.5
C & C of Honolulu	thous.	July 1, 1982	775p	....	1.0
Maui County	thous.	July 1, 1982	80p	....	5.6
Hawaii County	thous.	July 1, 1982	98p	....	2.3
Kauai County	thous.	July 1, 1982	41p	....	2.2
CIVILIAN RESIDENT—STATE	thous.	July 1, 1982	939p	....	1.8
MILITARY PERSONNEL—STATE	number	July 1, 1982	61,107	....	−0.7
Ashore	number	July 1, 1982	54,184	....	17.1
Afloat	number	July 1, 1982	6,923	....	−54.7
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1982	66,709	....	3.7
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 5/83	5,592	....	−18.8
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	4th Qtr. 1982	11,708	0.0	4.9
Employment Income[2]	mil. $	4th Qtr. 1982	8,724	1.6	5.9
Manufacturing	mil. $	4th Qtr. 1982	449	1.6	3.2
Construction & Mining[3]	mil. $	4th Qtr. 1982	485	0.4	−9.5
Wholesale	mil. $	4th Qtr. 1982	375	1.4	5.9
Retail	mil. $	4th Qtr. 1982	979	−2.3	3.7
Financ. Ins. & Real Estate	mil. $	4th Qtr. 1982	579	3.0	11.1
Trans., Comm. & Util.	mil. $	4th Qtr. 1982	800	1.0	4.6
Services	mil. $	4th Qtr. 1982	1,903	1.0	9.7
Farm & Other	mil. $	4th Qtr. 1982	304	10.1	14.3
Federal Civilian	mil. $	4th Qtr. 1982	775	1.8	8.1
Federal Military	mil. $	4th Qtr. 1982	1,029	3.0	2.3
State & Local	mil. $	4th Qtr. 1982	1,046	3.6	9.0
Property Income					
Dividends, Interest, Rent	mil. $	4th Qtr. 1982	1,967	−8.7	−2.2
Transfer Payments (1,000 minus Federal Contributions for Social Ins. [582])	mil. $	4th Qtr. 1982	1,017	4.8	11.5
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1982	11,602	....	5.2
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1981	11,553	....	9.0
Maui County	dollars	1981	9,702	....	7.2
Hawaii County	dollars	1981	8,728	....	5.0
Kauai County	dollars	1981	9,132	....	7.2

p=preliminary.
**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include states changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.
[3]Income from mining not shown separately to avoid disclosure of confidential information.

u. s. economic indicators

series	unit	period	number	percent change: from preceding period	percent change: year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967=100	April	152.4p	1.1	12.1
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	1st Qtr	3,170.9r	2.0	5.9
In 1972 Dollars	bil. $	1st Qtr	1,486.2r	0.6	1.1
PERSONAL INCOME**	bil. $	April	2,679.1p	0.8	6.7
RETAIL SALES*	mil. $	April	94,219p	1.6	6.5
INDUSTRIAL PRODUCTION*	1967=100	April	142.6p	2.1	1.7
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	March	61,669.7	19.2	16.2
TURNOVER OF DEMAND DEPOSITS**	annual rate	March	248.5	18.6	13.7
BANK LOANS*	bil. $	April	1,059.6p	0.3	5.7
AVERAGE PRIME RATE CHARGED BY BANKS	percent	May	10.5[1]	0.0	−36.4
CONSUMER INSTALLMENT DEBT*	mil. $	March	345,358p	0.8	5.0
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	March	245.4p	−1.6	9.3
CONSTRUCTION COST INDEXES					
Residences	1967=100	March	332.3	0.2[1]	7.3
Apts., Hotel, Office Bldgs	1967=100	March	336.7	0.1[1]	6.7
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	April	99,458	0.4	0.0
UNEMPLOYMENT*	thous.	April	11,328	−0.5	10.5
UNEMPLOYMENT RATE*	percent	April	10.2	−1.0	9.7
PRICES					
CONSUMER PRICE INDEX (All items):					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	April	294.9	0.6	3.9
All Urban Consumers	1967=100	April	295.5	0.7	3.9
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	April	282.8	−0.1	2.1
All Commodities	1967=100	April	300.8	0.1	0.9

r=revised.
p=preliminary.
[1]Compared to January, 1982.
*Seasonally adjusted.
**Seasonally adjusted at annual rates.

First Hawaiian Bank
Established 1858
Member FDIC

ECONOMIC INDICATORS

Research Department, First Hawaiian Bank *July/August 1983*

CONTENTS

The Legacy of Charles Reed Bishop 1
U.S. Economic Indicators 2
Business Activity in Hawaii 2
Population and Personal Income in Hawaii 5
Employment and Unemployment in Hawaii 6
Public Assistance in Hawaii 7
Banking and Finance in Hawaii 7
A Message from John D. Bellinger 8

THE LEGACY OF CHARLES REED BISHOP

On a sleepy day in August, 1858, when Honolulu was a village of frame and coral-rock buildings, Fort Street little more than a broad footpath, and the principal contact with the outside world through whaling ships, readers of the "Polynesian," a four-page weekly, probably hardly noticed an obscure announcement buried among shipping notices, business statistics, and minor news items. Apparently, two men had formed a partnership "for the purpose of conducting a general banking business." This was the first public notice of the establishment of the bank of Bishop and Co., the forerunner of today's First Hawaiian Bank.

The idea of starting a bank in Hawaii actually originated from Robert C. Wyllie, a Scotsman who had been appointed Minister of Foreign Affairs by Kamehameha III in 1845. In June 1852, in a paper on capital and banking read before the Royal Hawaiian Agricultural Society he listed the advantages of such an institution.

One member of Wyllie's audience was Charles Reed Bishop. Apparently he was so impressed that six years later in partnership with William A. Aldrich, with whom he had earlier successfully started a dry-goods store, he went into the banking business. On August 17, 1858, Bishop and Co. opened for business in a rented one-room basement office near the waterfront, and ended the day with deposits totalling $4,784.25. The bank prospered from the start, and after several name changes became the First Hawaiian Bank in 1969. It has the distinction of having served Hawaii during its history as a monarchy, a Provisional Republican Government, a Territory of the United States, and since 1959 as the fiftieth state of the union. In the decades after World War II, with the growth in the Hawaiian economy, the bank has grown to 46 branches in the Hawaiian Islands and Guam. Today it ranks among the top hundred banks in the United States with assets well over two billion dollars.

But none of this would have occurred without the far-sighted leadership of Charles R. Bishop. On an anniversary occasion such as this, it is always good to look back to the beginnings, and recall the character and personality that he gave to his new bank back in the 1850s.

Bishop's early life was modest, if not austere. Born poor in Glen Falls, New York on January 25, 1822, he was orphaned at an early age. At fifteen he left school in the eighth grade and began working in a series of clerk-bookkeeping jobs. In 1846, now twenty-two, he set sail from Newburyport, Massachusetts for Oregon where he was to seek his fortune. But, after stopping off in Hawaii following a stormy journey of eight months, the opportunities for work in the islands and the prospect of another long sea voyage convinced him to remain in Hawaii.

Once in Honolulu, he worked hard to establish a reputation as an intelligent and honest citizen. What he lacked in education, he made up for in diligence and experience. After clerking in various positions, including the U.S. Consulate in Hawaii, he eventually became Collector-General of Customs for the Hawaiian Kingdom. Being thrifty by nature, he saved money, and embarked on his first commercial venture when he bought sugar in Hawaii for sale on the West Coast.

When the bank first opened, Bishop did most of the work, keeping the books, accepting deposits, making loans, and even sweeping out the little office at the end of the day. As the bank grew in prosperity, his basic frugality and character remained constant. When the firm moved into new quarters in 1876 there was no program of dedication. Bishop simply sent $25.00 each to the Ladies Stranger's Friend Society, the British Benevolent Society, the American Relief Fund, and the German Relief Fund.

Eventually Bishop became one of Hawaii's most respected businessmen, public servants, and benefactors. In 1850 he married Princess Bernice Pauahi, whose inheritance of the Kamehameha lands helped lay the foundations for the Kamehameha Schools. He later founded the Bishop Museum in her memory. In 1859 he was made a Noble, and served in the House of Nobles and the Privy Council during the reigns of Kamehameha IV, Lunalilo, Kalakaua, and Liliuokalani. He also served as Minister of Foreign Affairs and head of the Cabinet during Lunalilo's reign. His character is probably best summarized by his biographer Harold W. Kent:

> "Bishop combined judgement and restraint with a rare sense of propriety in business relations, and an uncanny ability to visualize new business possibilities. This characteristic accounted for his purchases of land as well as his willingness to go into sugar. Some of his investments were made to push an industry, others to save an industry. And his genius was that as he pushed and as he saved, he also profited. All of this, however, goes back to the fact that he was Bishop and Company. His humanity, his integrity, his cautiousness were embedded in the public image of his bank."

Charles Reed Bishop died in 1914 in Berkeley, California at the age of 93. According to his request, his ashes were placed alongside those of his wife in the Royal Mausoleum in Nuuanu Valley in Honolulu. On his grave marker were written the following words:

> "Builder of the State—Friend of the Youth—Benefactor of Hawaii—His Ashes Rest in the Tomb of the Kamehamehas."

This month, as First Hawaiian Bank, heir to his great legacy, celebrates its 125th anniversary, it is well to reflect upon the qualities of its founder. While banking may have changed considerably since his time, the basic qualities of integrity, diligence, moderation, compassion, and vision have continued as the basis of First Hawaiian's service to the people of Hawaii. As these qualities have been an integral part of First Hawaiian Bank through 125 years of its existence, may they continue to be so in the years ahead.

FIRST HAWAIIAN BANK
Established 1858 • Member of F.D.I.C.

u. s. economic indicators

Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF LEADING INDICATORS*	1967 = 100	June	155.9p	1.0	15.1
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	2nd Qtr	3,273.7p	3.2	6.6
In 1972 Dollars	bil. $	2nd Qtr	1,521.4p	2.1	2.2
PERSONAL INCOME**	bil. $	June	2,734.1p	0.5	6.3
RETAIL SALES*	mil. $	June	99,120p	0.7	11.9
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	May	60,382.1	5.9	17.6
BANK LOANS*	bil. $	June	1,070.6p	0.7	5.3
AVERAGE PRIME RATE CHARGED BY BANKS	percent	July	10.50	0.0	−35.4
CONSUMER INSTALLMENT DEBT*	mil. $	May	350,325	0.8	5.5
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	[1]bil. $	June	259.7p	2.6	11.3
CONSTRUCTION COST INDEXES					
Residences	1967 = 100	May	336.4	1.2[1]	6.4
Apts, Hotel, Office Bldgs	1967 = 100	May	340.8	1.2[1]	5.6
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	June	100,786	1.2	1.1
UNEMPLOYMENT*	thous.	June	11,146	−0.4	6.5
UNEMPLOYMENT RATE*	percent	June	10.0	−1.0	5.3
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967 = 100	June	297.2	0.3	2.4
All Urban Consumers	1967 = 100	June	298.1	0.3	2.6
PRODUCER PRICE INDEXES					
Finished Goods*	1967 = 100	June	285.0p	0.5	1.8
All Commodities	1967 = 100	June	302.5p	0.3	1.1

r = *revised.*
p = *preliminary.*
[1] *Compared to March, 1983.*
* *Seasonally adjusted.*
** *Seasonally adjusted at annual rates.*

Sources:
General Business Indicators—U.S. Department of Commerce.
Banking and Credit—Board of Governors of the Federal Reserve System.
Construction—U.S. Department of Commerce. The American Appraisal Company.
Employment and Prices—U.S. Department of Labor, Bureau of Labor Statistics.

business activity in hawaii

TOURISM					
OVERNIGHT OR LONGER VISITORS	number	May	346,157p	8.4	5.7
	number	Jan.-May	1,734,471p	.....	0.5
Westbound	number	May	260,745p	5.8	9.2
	number	Jan.-May	1,351,095p	.....	1.6
Eastbound	number	May	85,412p	17.0	−3.6
	number	Jan.-May	383,376p	.....	−3.1
AVERAGE DAILY VISITOR CENSUS[1]	number	April	81,195p	−20.1	−9.9
AVERAGE LENGTH OF STAY[1]	no. of days	April	9.9	−6.6	−3.9
MEETINGS ATTENDANCE	number	May	10,257	−47.6	−16.3
ORGANIZED GROUP TOURS	number	May	56,631p	−18.6	−3.3
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	May	127,733p	3.3	9.0
	number	Jan.-May	677,551p	.....	2.4
Hawaii	number	May	46,347p	−9.1	−8.5
	number	Jan.-May	295,094p	.....	5.5
Kauai	number	May	54,259p	11.1	−10.1
	number	Jan.-May	257,634p	.....	−17.0
VISITOR ACCOMMODATIONS					
STATE	number	June	58,901	0.2	−0.8
Oahu	number	June	34,378	0.1	−1.1
Waikiki	number	June	30,132	0.1	−0.5
Maui (includes 11 on Lanai)	number	June	12,051	−0.6	2.8
Molokai	number	June	629	0.2	13.3
Hawaii	number	June	7,368	−1.4	3.7
Kauai	number	June	4,475	6.7	−14.1
HOTEL OCCUPANCY					
STATE	percent	June	74.60	17.9	10.1

p = *preliminary.*
[1] *Estimated Westbound.*

INTRODUCTION
125th Anniversary Issue

As First Hawaiian Bank celebrates 125 years of service to Hawaii, the Research Department is happy to announce a major expansion and revision of the statistical series published in the bimonthly ECONOMIC INDICATORS. New series on diversified agriculture and real estate have been added, the series on banking and finance has been revised, and the graphic format has been altered.

The series on diversified agriculture recognizes the growing importance of alternative forms of agriculture in a period of profound change in the industrial profile of the state. From 1971 to 1981, as sugar and pineapple fell from 70.5 percent to 60.7 percent of total agricultural output, other agricultural crops (including livestock products) rose from 29.5 percent to 39.2 percent of total agricultural output.

Real estate is a large segment of business in Hawaii. In 1982, total real estate transactions in Hawaii exceeded $3 billion. Along with construction and tourism, real estate functions as a major determinant in the swings in Hawaii's business cycle.

In the area of banking and finance, federal deregulation of banking has resulted in the increasing importance of savings and loan institutions in the provision of banking services. The series on banking and finance has thus been revised to include deposit and loan data for savings and loan associations.

Other statistical revisions include the elimination of hours and earnings data in the employment and unemployment series, and industrial production and deposit turnover data in the U.S. economic indicator series. In general, efforts were made to eliminate those national data series that were either not of widespread interest or did not allow comparison with Hawaiian data.

Changes in the presentation format include: (1) the replacement of handwritten with printed text; (2) the use of the back sheet for occasional articles; and (3) revisions in the graphic format. The objective of these changes is to enhance the visual quality of the ECONOMIC INDICATORS, while increasing its informational content. All constructive comments and suggestions are welcome and should be addressed to the Research Department; First Hawaiian Bank; P.O. Box 3200; Honolulu, Hawaii; 96847.

Dr. Gregory G. Y. Pai

DIVERSIFIED AGRICULTURE

In spite of serious setbacks caused by Hurricane Iwa, the heptachlor controversy, and unseasonably dry weather, long-term secular growth in diversified agricultural crops suggests overall shifting trends in the structure of agriculture in Hawaii. Between 1971 and 1981, sugar and pineapple fell from 70.6 percent to 60.7 percent of total agricultural sales. Livestock products also declined from 19.4 percent to 18.0 percent, while diversified agricultural crops increased from 10.1 percent to 21.2 percent of total agricultural sales (See Table 1). Clearly, diversified ag-

business activity in hawaii [cont.]

Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
HOTEL OCCUPANCY (continued)					
Oahu	percent	June	81.78	19.0	7.6
Maui	percent	June	79.09	13.3	17.1
Hawaii	percent	June	43.68	18.2	16.6
Kauai	percent	June	66.10	20.1	8.1
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	1st Qtr.	482.4p*	7.7	20.5
Military Payroll	mil. $	1st Qtr.	184.7p*	0.4	10.4
Civilian Payroll	mil. $	1st Qtr.	131.4p*	-9.8	11.5
Local Purchases	mil. $	1st Qtr.	166.3p*	40.5	44.3
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan.-June	491	.....	31.1
N. Y. RAW SUGAR PRICE	$/ton	June	450.99	-0.2	7.2
PINEAPPLE SHIPMENTS					
CANNED[2]	mil. $	Jan.-May	59.0	.....	-13.6
FRESH	thous. lbs.	Jan.-July	143,199	.....	-11.1
DIVERSIFIED AGRICULTURE					
CROPS					
Flowers & Nursery Products (wholesale)	thous. $	1982	30,559	.....	3.7
Anthurium Outshipments	th. dozens	Jan.-June	728.9	.....	-5.4
Potted Foliage[3]	thous. $	1982	8,820	.....	21.4
Other[4]	thous. $	1982	16,106	.....	-4.8
Fruits & Nuts	thous. $	1982	41,982	.....	0.0
Papaya Sales	th. lbs.	Jan.-June	21,165	.....	-7.1
Average Farm Price	cents/lb.	June	23.0	-32.4	-38.7
Macadamia Nut Sales (in shell)	th. lbs.	1982	36,720	.....	10.1
Average Farm Price	cents/lb.	1982	73.9	.....	-6.8
Other[5]	thous. $	1982	3,362	.....	6.3
Vegetable and Melon Production[6]	th. lbs.	Jan.-June	33,147	.....	26.8
Other Crop Sales[7]	thous. $	1982	8,453	.....	-23.0
LIVESTOCK					
Beef Production (dressed wt.)	th. lbs.	Jan.-June	16,011	.....	16.5
Average Farm Price (feedlot beef)	cents/lb.	June	105.0	-2.3	-7.1
Hog Production (dressed wt.)	th. lbs.	Jan.-June	2,986	.....	0.4
Average Farm Price	cents/lb.	June	101.0	-1.0	2.0
Milk Production	mil. lbs.	Jan-June	75.2	.....	1.8
Average Price Sold to Plants	$/100 lbs.	June	18.66p	-7.2	-9.5
Egg Production	mil.	Jan.-June	97.9	.....	-5.0
Average Farm Price	cents/doz.	June	84.0	-1.8	-3.4
Other Livestock Sales[8]	$ thous.	1982	5,814	.....	-1.3
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	Jan.-May	583.1	.....	-0.5
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-June	174,475	.....	38.9
C&C of Honolulu	thous. $	Jan.-June	87,698	.....	94.0
Maui County	thous. $	Jan.-June	21,027	.....	-0.8
Hawaii County	thous. $	Jan.-June	25,928	.....	-37.8
Kauai County	thous. $	Jan.-June	39,822	.....	127.5
SINGLE FAMILY UNITS					
STATE	number	Jan.-June	1,780	.....	79.4
C&C of Honolulu	number	Jan.-June	943	.....	401.6
Maui County	number	Jan.-June	281	.....	4.5
Hawaii County	number	Jan.-June	430	.....	4.9
Kauai County	number	Jan.-June	126	.....	0.8
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-June	247	.....	-51.7
C&C of Honolulu	number	Jan.-June	179	.....	88.4
Maui County	number	Jan.-June	20	.....	-83.6
Hawaii County	number	Jan.-June	35	.....	-80.1
Kauai County	number	Jan.-June	13	.....	-89.0
NONRESIDENTIAL					
STATE	thous. $	Jan.-June	98,493	.....	-4.7
C&C of Honolulu	thous. $	Jan.-June	58,081	.....	-29.0
Maui County	thous. $	Jan.-June	7,286	.....	25.8
Hawaii County	thous. $	Jan.-June	16,437	.....	114.2
Kauai County	thous. $	Jan.-June	16,688	.....	105.6
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS BY LEVEL OF GOVERNMENT	thous. $	Jan.-July	130,904	.....	-36.7

p = *preliminary*

**Coast Guard figures not included.*

[2]Gross taxable income valued at time of shipment.

[3]Potted foliage grown for indoor or patio use.

[4]Includes cut flowers, cut orchids, lei flowers, cut foliage, other potted plants, unfinished flowers and foliage stock, and other nursery products.

[5]Includes avocados, bananas, guavas, oranges, passion fruit, and tangerines.

[6]Includes snap beans, cabbage, celery, sweet corn, cucumbers, lettuce, onions, green peppers, tomatoes, and watermelons.

[7]Includes coffee, taro, feed and forage crops, and forest products.

[8]Includes broilers and chickens, turkeys, sheep, wool, horses, honey, and beeswax.

ricultural production is assuming a larger share of total agricultural output as sugar and pineapple experience relative decline, and livestock production remains constant.

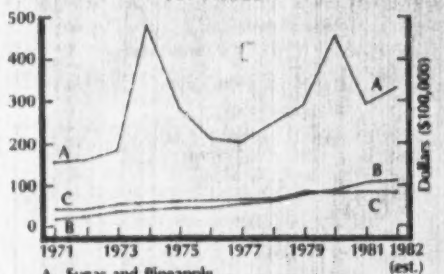
TABLE 1
TRENDS IN AGRICULTURAL VALUE OF SALES: 1971-1981

Industry	1971 Percent of Total	1981 Percent of Total	Percent Change 1971-1981	Average Annual Percent Change
Sugar and Pineapple	70.5	60.7	90.4	17.4
Diversified Agriculture	10.1	21.2	365.1	16.7
Vegetables and Melons	3.2	4.4	203.9	11.9
Fruits and Nuts	3.4	8.6	464.8	19.4
Coffee, Taro, Field Crops	1.5	2.2	225.5	14.4
Flower, Nursery Products	2.0	6.1	560.1	20.9
Livestock Products	19.4	18.0	104.9	7.1
Beef	7.1	5.8	80.3	6.6
Pork	2.0	1.7	87.9	6.6
Milk	6.0	6.2	129.2	8.7
Eggs	3.4	4.1	103.8	7.9
Other Livestock Sales	0.9	1.2	85.5	6.9
TOTAL	100.0	100.0	121.0	14.1

Source: Hawaii Agriculture Reporting Service

Agricultural growth rates between 1971 and 1981 also strongly favored diversified agricultural crops. As shown in Figure 1, diversified agricultural crops passed livestock and livestock products in 1980 to become the third largest agricultural sector relative to sugar and pineapple.

FIGURE 1
TRENDS IN AGRICULTURAL SALES: 1971-1982



A. Sugar and Pineapple
B. Diversified Agricultural Crops
C. Livestock and Livestock Products

Source: Hawaii Agricultural Reporting Service

Growth rates in agricultural sales by individual sectors also showed strong upward trends for diversified agriculture both in terms of aggregate ten-year increases (see Figure 2), and average annual percentage changes (see Table 1).

FIGURE 2
PERCENTAGE INCREASE IN AGRICULTURAL INDUSTRIES: 1971-1981

A. Sugar and Pineapple
B. Vegetables and Melons
C. Fruits and Nuts
D. Coffee, Taro, and Field Crops
E. Flower, and Nursery Products
F. Beef
G. Pork
H. Milk
I. Eggs
J. Other livestock sales

Source: Hawaii Agricultural Reporting Service

business activity in hawaii [cont.]

Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
PUBLIC CONTRACTS AWARDED (continued)					
FEDERAL	thous. $	Jan.-July	16,111	.....	-83.8
STATE	thous. $	Jan.-July	67,427	.....	-5.2
COUNTY	thous. $	Jan.-July	47,365	.....	31.1
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-July	105,250	.....	-34.5
Maui County	thous. $	Jan.-July	8,579	.....	-51.1
Hawaii County	thous. $	Jan.-July	13,312	.....	-6.5
Kauai County	thous. $	Jan.-July	3,763	.....	14.2
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	July	333.4	-1.0	10.3
HIGH-RISE	1967=100	July	351.6	0.0	7.5
REAL ESTATE					
OAHU: New Sales					
Single Family	number	Jan.-July	667	.....	51.6
Condominium	number	Jan.-July	1,521	.....	161.3
Resales					
Single Family	number	Jan.-June	770	.....	20.1
Average Price	dollars	Jan.-June	185,990	.....	8.7
Condominium	number	Jan.-June	1,041	.....	14.0
Average Price	dollars	Jan.-June	103,780	.....	0.0
MAUI: Resales					
Single Family	number	Jan.-April	24	.....	-31.4
Average Price	dollars	Jan.-April	199,249	.....	71.8
Condominium	number	Jan.-April	53	.....	-37.6
Average Price	dollars	Jan.-April	165,487	.....	5.0
HAWAII: Resales					
Single Family	number	Jan.-April	95	.....	11.8
Average Price	dollars	Jan.-April	100,536	.....	1.6
Condominium	number	Jan.-April	34	.....	126.7
Average Price	dollars	Jan.-April	111,704	.....	-7.6
KAUAI: Resales					
Single Family	number	Jan.-April	12	.....	-20.0
Average Price	dollars	Jan.-April	121,371	.....	4.1
Condominium	number	Jan.-April	8	.....	-27.3
Average Price	dollars	Jan.-April	167,875	.....	-0.6
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	Jan.-May	9,168.0	.....	5.7
DIVERSIFIED MANUFACTURING	mil. $	Jan.-May	209.4	.....	-18.0
DIVERSIFIED AGRICULTURE	mil. $	Jan.-May	93.9	.....	19.7
RETAILING	mil. $	Jan.-May	3,323.5	.....	4.7
WHOLESALING	mil. $	Jan.-May	2,266.8	.....	11.1
SERVICES	mil. $	Jan.-May	2,101.3	.....	8.0
OAHU NEW CAR SALES	number	April	2,028	-17.9	8.0
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. kwh	June	566.3	-0.1	0.2
GAS SALES	th. therms	June	3,999	-0.6	-1.8
TELEPHONE LINES IN SERVICE	thous.	June	449.8	-0.1	3.1
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	June	273.4	-1.3*	1.7
All Urban Consumers, All Items	1967=100	June	271.4	-0.5*	0.9

*Compared to April, 1983.

Sources:

Tourism—Hawaii Visitors Bureau, Pannell, Kerr, Forster.

Defense—Reports from various branches of the armed forces.

Sugar—Hawaiian Sugar Planters' Association.

Pineapple—Hawaii State Department of Taxation, Hawaii State Department of Agriculture.

Diversified Agriculture—Hawaii State Department of Agriculture.

Construction—Hawaii State Department of Taxation, Honolulu County Building Department, Hawaii, Kauai, and Maui County departments of public works.

Real Estate—Monitor Hawaii, Inc., Locations Inc., First Hawaiian Bank, Research Department.

Business Sales—Hawaii State Department of Taxation, Cardinal Mailing Services, Ltd.

Public Utilities—Hawaiian Electric Company, Inc., Citizens Utilities Company, Molokai Electric Co., Ltd., Gasco, Inc., Hawaiian Telephone Company.

Honolulu Prices—U.S. Department of Labor, Bureau of Labor Statistics.

These trends are further emphasized in an analysis of physical production. Major increases in sugar prices caused upward distortions in value of sales data in 1974 and 1980 (see Figure 1). On the other hand, an analysis of the actual volume of crops marketed (see Table 2), shows an overall decline in sugar and pineapple production between 1971 and 1981 while diversified agricultural crops, with the exception of coffee and taro, showed strong overall as well as average annual increases in production. Livestock and livestock products remained relatively stable with marginal increases on a year-to-year basis.

TABLE 2
TRENDS IN AGRICULTURAL OUTPUT: 1971-1981

Industry	Percent Change 1971-1981	Average Annual Percent Change
Sugar/Pineapple	**-18.29**	**-1.56**
Diversified Agriculture		
Vegetables/Melons	**48.37**	**3.09**
Fruits/Nuts	**150.85**	**8.49**
Coffee/Taro	**-31.19**	**4.08**
Anthuriums	**324.79**	**17.68**
Livestock Products		
Beef	**-15.50**	**-0.72**
Pork	**3.09**	**0.51**
Milk	**12.39**	**0.85**
Eggs	**5.38**	**1.11**
Other Livestock Products	**61.47**	**2.65**

Source: Hawaii Agriculture Reporting Service

Of the diversified agricultural crops export-oriented crops dominated total sales. In 1981, macadamia nuts, papayas, potted foliage plants, anthuriums, and coffee accounted for 88.7 percent of all diversified agricultural sales (excluding sugar, pineapple, and livestock products).

In terms of recent trends, of the major crops, macadamia nut production for the 1981-82 crop year exceeded the previous year's record high crop of 33.4 million pounds. New plantings during the 1981 and 1982 season increased existing acreage from 10,000 acres to 13,700 acres or 37 percent.

Papayas were hardest hit by recent weather conditions. After reaching a record high of 58.2 million pounds of fresh production in 1981, the industry was hit by a succession of disasters: Hurricane Iwa destroyed Kauai's papaya crop in November, 1982; record rainfalls in 1982 resulted in substantial tree and fruit losses; and a record drought hit the Big Island from December of 1982 through April 1983. As a result, production in 1982 fell to 44.2 million pounds, and is projected to increase only slightly to 45.0 million pounds by the end of 1983. However, predictions for the

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FIRST
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population and personal income in hawaii

Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
POPULATION					
DE FACTO—STATE	thous	July 1, 1982	1,084p	.....	1.9
TOTAL RESIDENT—STATE	thous	July 1, 1982	994p	.....	1.5
C&C of Honolulu	thous	July 1, 1982	775p	.....	1.0
Maui County	thous	July 1, 1982	80p	.....	5.6
Hawaii County	thous	July 1, 1982	98p	.....	2.3
Kauai County	thous	July 1, 1982	41p	.....	2.2
CIVILIAN RESIDENT—STATE	thous	July 1, 1982	939p	.....	1.8
MILITARY PERSONNEL—STATE	number	July 1, 1982	61,107	.....	−0.7
Ashore	number	July 1, 1982	54,184	.....	17.1
Afloat	number	July 1, 1982	6,923	.....	−54.7
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1982	66,709	.....	3.7
FOREIGN IMMIGRATION[1]	number	12 mo. total for period ending 7/83	5,364	.....	−24.0
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	1st Qtr. 1983	11,967	2.2	6.5
Employment Income[2]	mil. $	1st Qtr. 1983	8,767	0.5	6.2
Manufacturing	mil. $	1st Qtr. 1983	442	−1.6	5.7
Construction & Mining[3]	mil. $	1st Qtr. 1983	482	−0.6	−1.0
Wholesale	mil. $	1st Qtr. 1983	379	1.1	4.7
Retail	mil. $	1st Qtr. 1983	994	1.5	5.1
Finance, Ins. & Real Estate	mil. $	1st Qtr. 1983	597	3.1	11.4
Trans., Comm., & Util.	mil. $	1st Qtr. 1983	783	−2.1	5.2
Services	mil. $	1st Qtr. 1983	1,922	1.0	7.7
Farm & Other	mil. $	1st Qtr. 1983	290	−4.6	7.4
Federal Civilian	mil. $	1st Qtr. 1983	785	1.3	7.7
Federal Military	mil. $	1st Qtr. 1983	1,024	−0.5	2.6
State & Local	mil. $	1st Qtr. 1983	1,067	2.0	8.8
Property Income (Dividends, Interest, Rent)	mil. $	1st Qtr. 1983	2,176	10.6	5.7
Transfer Payments (1,614) minus Personal Contributions For Social Ins. (591)	mil. $	1st Qtr. 1983	1,023	0.6	11.2
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1982	11,602	.....	5.2
PER CAPITA BY COUNTY					
C&C of Honolulu	dollars	1981	11,553	.....	9.0
Maui County	dollars	1981	9,702	.....	7.2
Hawaii County	dollars	1981	8,728	.....	5.0
Kauai County	dollars	1981	9,132	.....	7.2

p = preliminary

*** Total personal income and all components are seasonally adjusted at annual rates.*

[1] These immigration statistics include only those entering Honolulu ports and do not include status changes.

[2] Includes wage and salary disbursements, proprietors' income, and other labor income.

[3] Income from mining not shown separately to avoid disclosure of confidential information.

Sources:

Population—Hawaii State Department of Planning and Economic Development, U.S. Bureau of the Census, U.S. Immigration and Naturalization Service.

Personal Income—U.S. Department of Commerce, Bureau of Economic Analysis.

future are optimistic. Fields that were destroyed by Hurricane Iwa on Kauai have been replanted, and new plantings statewide are at record levels. According to the Papaya Administrative Committee, papaya yields are expected to increase in November of 1983, and continue upwards through 1984.

Flower and nursery products experienced the strongest gains of all diversified agricultural sectors with total sales exceeding $30 million in 1982. In spite of adverse weather and generally slow markets, potted foliage plants experienced a 21 percent increase over 1981. Although the volume of anthurium sales decreased in 1982, higher prices resulted in an increased sales value from $5.3 million to $5.6 million. Of the other flower crops, roses showed a 34 percent gain up to $1.4 million, while orchid and lei-flower crop production experienced slight declines due to the rainy weather in early 1982.

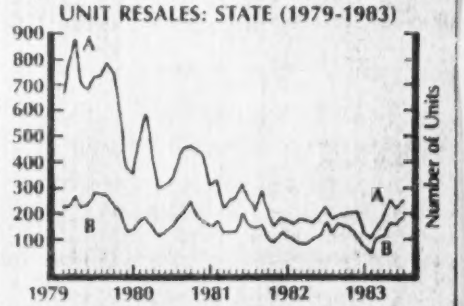
Thus, inspite of major setbacks, projected trends in all major diversified export crops remained positive.

REAL ESTATE

Recent evidence on movements in the residential real estate market confirm widespread perceptions of firming and upward trends in all segments of the market including resales and new sales of single-family units and condominiums.

Signs of resurgence were most clear in the single-family and condominium resale market. Sales throughout the state for both single-family units and condominiums rose sharply in early 1983 after almost 4 years of steady decline from 1979 (see Figure 3). Condominiums show a higher volume of units sold and greater variability in trends because of the "lumpiness" or large increments of units brought on to the market at certain times. However, in terms of timing, condominiums and single-family units show almost simultaneous responses to overall market conditions.

FIGURE 3
SINGLE-FAMILY AND CONDOMINIUM UNIT RESALES: STATE (1979-1983)



A. Condominium Units
B. Single-Family Units
Source: Locations Inc.

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HAWAIIAN BANK
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employment and unemployment in hawaii

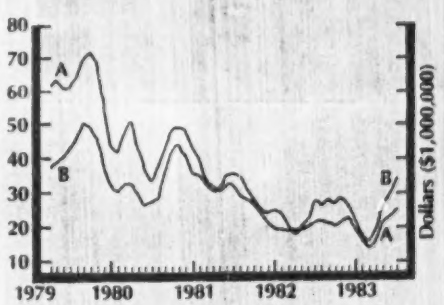
Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	June	467.4p	1.0	0.4
Employment	thous.	June	433.7p	0.2	0.3
Unemployment	thous.	June	33.7p	13.8	2.4
Unemployment Rate	percent	June	7.2p	12.5	1.4
C & C OF HONOLULU					
Civilian Labor Force	thous.	June	356.5p	0.5	0.1
Employment	thous.	June	333.9p	-0.2	0.2
Unemployment	thous.	June	22.6p	11.1	-0.9
Unemployment Rate	percent	June	6.3p	10.5	-1.6
MAUI COUNTY					
Civilian Labor Force	thous.	June	44.3p	4.3	3.7
Employment	thous.	June	40.4p	2.9	2.2
Unemployment	thous.	June	3.9p	20.8	23.8
Unemployment Rate	percent	June	8.8p	15.8	18.9
HAWAII COUNTY					
Civilian Labor Force	thous.	June	45.6p	2.0	0.7
Employment	thous.	June	40.3p	0.0	0.2
Unemployment	thous.	June	5.3p	19.8	2.9
Unemployment Rate	percent	June	11.6p	17.2	2.7
KAUAI COUNTY					
Civilian Labor Force	thous.	June	21.1p	2.1	-1.2
Employment	thous.	June	19.2p	0.9	-1.5
Unemployment	thous.	June	1.9p	16.8	2.8
Unemployment Rate	percent	June	8.9p	14.1	7.2
JOB COUNT BY INDUSTRY					
TOTAL JOBS—STATE	thous.	June	442.4p	0.6	-0.7
SUGAR (mill and field)	thous.	June	8.4p	1.1	-1.2
PINEAPPLE (cannery and field)	thous.	June	6.8p	43.3	-12.2
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	June	15.3p	1.4	-2.5
Durable Goods	thous.	June	3.4p	0.0	-11.7
Non-Durable Goods	thous.	June	11.9p	1.7	0.0
Apparel and Textiles	thous.	June	2.6p	1.0	-10.3
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed)	thous.	June	7.6p	1.6	-0.7
CONTRACT CONSTRUCTION	thous.	June	17.7p	-1.2	-7.5
TRANSPORTATION	thous.	June	21.0p	1.9	-5.6
COMMUNICATION	thous.	June	7.3p	-0.1	-2.0
UTILITIES	thous.	June	2.4p	0.6	-5.9
RETAIL TRADE	thous.	June	87.2p	0.3	0.0
WHOLESALE TRADE	thous.	June	19.5p	1.7	2.4
FINANCE, INSURANCE AND REAL ESTATE	thous.	June	31.8p	0.7	0.3
HOTEL SERVICES—STATE	thous.	June	26.1p	-0.9	-1.1
Honolulu County	thous.	June	14.7p	-1.0	1.0
Maui County	thous.	June	6.4p	-1.3	-0.8
Hawaii County	thous.	June	3.1p	-2.1	0.0
Kauai County	thous.	June	1.9p	3.6	-15.6
OTHER SERVICES	thous.	June	74.4p	0.7	-0.3
FEDERAL GOVERNMENT	thous.	June	32.3p	0.1	1.7
Civilian Agencies	thous.	June	11.2p	-0.2	0.5
Defense Department	thous.	June	21.1p	0.3	2.2
STATE GOVERNMENT	thous.	June	45.8p	-4.7	-0.1
COUNTY GOVERNMENT	thous.	June	12.6p	1.0	0.4
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	May	17,757	12.8	52.9
INTRASTATE INITIAL CLAIMS	number	May	5,919	3.3	-7.5
INTERSTATE INITIAL CLAIMS	number	May	369	5.4	13.2
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	May	8,199	14.6	40.2

p = preliminary.

Sources:
Employment, Job Count, and Unemployment Insurance—Hawaii State Department of Labor and Industrial Relations.

The same trends become evident in an examination of total sales value (see Figure 4). In general, although condominiums are less expensive than single-family dwellings, given the greater number of condominium transactions, value of resales trends for both condominiums and single-family units are very similar. Interestingly, however, since 1979 the **relationship** between condominium and single-family units has shifted dramatically. Between 1979 and 1983 condominiums fell from 62 to 42 percent of total sales, while single-family units increased from 38 to 58 percent of total sales.

FIGURE 4
SINGLE-FAMILY AND CONDOMINIUM TOTAL VALUE OF RESALES: STATE (1979-1983)

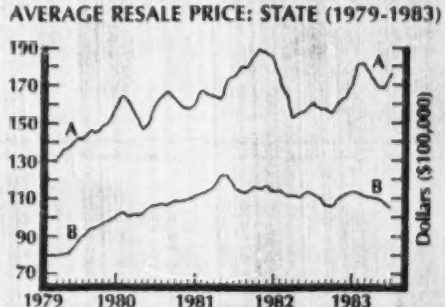


A. Condominiums: 3-month moving average
B. Single-Family Units: 3-month moving average

Source: Locations Inc.

The rising dominance of single-family resales is explained by trends in average prices (see Figure 5). Since the first quarter of 1982, as the market became more active, prices of single-family units showed a steady increase, notwithstanding a slight correction in the first quarter of 1983, while condominium prices showed a steady decline through 1982 and 1983. These patterns reinforce the basic differences between the single-family and condominium markets. While both types of units can be seen as "substitute goods" where one becomes a consumption alternative for the other, and both respond to interest rates in the same manner, the market for single-family units is far tighter than the market for condominiums.

FIGURE 5
SINGLE-FAMILY AND CONDOMINIUM AVERAGE RESALE PRICE: STATE (1979-1983)



A. Single-Family Units: 3-month moving average
B. Condominium Units: 3-month moving average

Source: Locations Inc.

public assistance in hawaii

Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no. persons	June	64,335	−0.8	−0.9
Services	no. cases	2nd Qtr.			
Medical	no. patients	June	58,073	8.7	27.0
Food Stamps	no. persons	May	101,777	−1.3	5.6
PAYMENTS					
Income Maintenance	thous. $	June	8,959	0.4	−0.7
Services	thous. $				
Medical	thous. $	June	17,708	47.3	54.8
Food Stamps	thous. $	May	6,647	−2.3	20.1

[1]Count of recipients is duplicated. A person may be counted in each category.

Sources:
Public Assistance—Hawaii State Department of Social Services and Housing.

banking and finance in hawaii

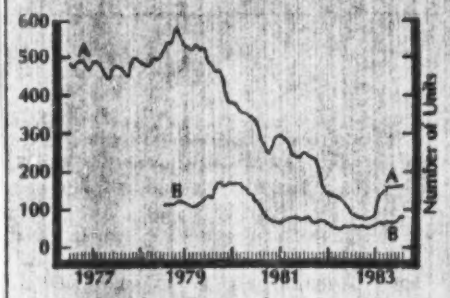
Series	Unit	Period	Number	Percent Change from preceding period	Percent Change year ago
FINANCE					
COMMERCIAL BANKS					
Total Deposits					
STATE	mil. $	June	5,627.5	2.3	13.3
Honolulu County	mil. $	June	4,653.0	2.6	12.2
Maui County	mil. $	June	351.7	2.6	17.4
Hawaii County	mil. $	June	410.0	−0.2	17.1
Kauai County	mil. $	June	212.8	−0.9	24.7
Debits to Demand Deposits					
STATE	mil. $	June	7,829.3	8.3	−4.0
Honolulu County	mil. $	June	7,220.9	8.6	−4.4
Maui County	mil. $	June	261.9	8.1	1.8
Hawaii County	mil. $	June	242.8	5.2	−2.9
Kauai County	mil. $	June	103.7	1.0	11.2
Loans Outstanding	mil. $	2nd Qtr.	3,593	−2.2	0.4
Real estate	mil. $	2nd Qtr.	1,604	0.1	4.9
Consumer	mil. $	2nd Qtr.	792	−3.6	−0.4
Commercial & Industrial	mil. $	2nd Qtr.	1,062	−1.2	4.1
Other	mil. $	2nd Qtr.	136	−23.2	−42.3
SAVINGS & LOAN ASSOCIATIONS					
Total Deposits	mil. $	May	3,497	1.1	8.0
Loans	mil. $	May	40.5	−37.9	15.9
Residential	mil. $	May	9.7	−80.2	−55.0
Other	mil. $	May	30.9	88.6	128.5
STATE TAX COLLECTIONS[1]					
TAX COLLECTIONS—STATE	thous. $	Jan.-June	614,106	.....	14.5
Honolulu County	thous. $	Jan.-June	537,776	.....	11.5
Maui County	thous. $	Jan.-June	33,586	.....	46.0
Hawaii County	thous. $	Jan.-June	29,992	.....	35.3
Kauai County	thous. $	Jan.-June	12,753	.....	44.9

[1]Excludes property taxes which were formerly collected by the State but are now collected by the Counties.

Sources:
Finance—Hawaii State Department of Regulatory Agencies. Federal Deposit Insurance Corporation reports. Federal Home Loan Bank of Seattle
State Tax Collections—Hawaii State Department of Taxation.

This relative difference between the single-family and condominium markets can be explained in terms of relative market supply. On a volume basis, as shown in Figure 6, throughout early 1983, new sales of condominiums far outpaced new sales of single-family units, which showed only modest increases through 1982 and 1983. Thus, while condominiums were experiencing an oversupply of units, single-family units were moving into a position of relative scarcity. This trend is confirmed in an examination of inventories. According to data from Monitor, Inc., inventories of single-family units showed a roughly 50 percent decline from 1981 to 1982, while inventories of condominium units **increased** roughly 30 percent during the same period. As inventories of single-family homes continue to diminish through 1983, prices can be expected to increase further, while prices of condominiums decrease.

FIGURE 6
SINGLE-FAMILY AND CONDOMINIUM NEW SALES: OAHU (1976-1983)



A. Condominiums: 12-month moving average
B. Single-Family Units: 12-month moving average
Source: Monitor Hawaii, Inc.

Whether the increase in price of single-family homes will be an adequate incentive to stimulate more new construction of single-family units as inventories diminish will in large part depend on the softness of the condominium market, and institutional constraints to further single-family unit development. Excessive inventories of condominiums can result in lowered demand in the single-family market, while institutional constraints limit the supply of new units, thereby keeping prices up and excluding would-be buyers. Furthermore, builders of single-family projects are moving more cautiously, developing in smaller, phased increments. Condominium developers are also active; but with high existing inventories no strong condominium building activity is expected until 1984.

Thus, while a strong overall increase in real estate activity is occurring, the extent to which it will contribute to overall housing supply and general economic recovery will depend on the rate of inventory depletion, initially for single-family units and secondly for condominiums, the interaction between supply and demand (and ultimately prices), and overall national interest rate movements. The fact that prime rates have recently shifted upward to 11 percent may be an early indication of the narrow margin of opportunity available for housing expansion.

ECONOMIC INDICATORS

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by the Research Department, First Hawaiian Bank

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A MESSAGE FROM JOHN D. BELLINGER

Chairman and Chief Executive Officer

Economic conditions have not been easy in the recent past. The energy and resources of commercial banks were severely tested in 1982 as a recessionary economy, federal deregulation, high interest rates, and competition from unregulated nonbank institutions created serious pressures. However, with the recent decline in interest rates and upswing in business activity, I am happy to report that First Hawaiian's net income for the first half of 1983 was up 18.7% over the same period in 1982. First Hawaiian Bank's good performance was also accompanied by good performances by Hawaii Thrift and Loan Co. and First Hawaiian Leasing. So, as we observe our 125th birthday, it is my special pleasure to report that the First Hawaiian, Inc. family of companies is a healthy and profitable team.

However, a bank is also a service organization, and perhaps more than most businesses, must depend on its relationship with the community not only to sustain a healthy business climate, but to nurture that sense of trust upon which a sound fiduciary relationship can be built. A bank, especially one such as First Hawaiian Bank, shares an implicit covenant with the community which it serves, and in doing so shoulders a responsibility that cannot be taken lightly. The resources of the bank are the assets of the community. Thus, by fulfilling its own corporate mandate as a banking institution, the bank not only exercises control over the assets of the community, but incurs the responsibility for their safe and profitable disposition.

That sense of corporate responsibility of the bank to the community has been a part of First Hawaiian Bank since its founding in 1858 by Charles Reed Bishop. First Hawaiian Bank has been so closely associated with the development of the Hawaiian economy that the history of the bank is really the history of the economy of Hawaii. The whaling industry was the basis of much of the bank's earliest activities. As sugar increased in importance during the 1860s, Bishop saw its potential and provided strong support even during times of almost imminent disaster. In 1904, when James Dole began his first experiments with pineapples, a whole new industry was born. Those experiments were made possible by a loan from Bishop & Co. When the military began to exert its presence in the islands during World War I, the bank opened a branch in Schofield Barracks in 1914, and has continued to service the military since then. As tourism grew in importance, so did the participation of First Hawaiian Bank. Some of the earliest hotels in Waikiki including the Royal Hawaiian Hotel and the Halekulani were financed in part by First Hawaiian Bank.

In addition to its involvement in the economy of Hawaii, First Hawaiian Bank has also been known as a bank deeply committed to the people of Hawaii. In the early years, Charles Bishop and Samuel Damon were not only the leading businessmen of their time, but were also leaders in affairs of state. Samuel Damon, a man of keen financial ability, served as Minister of Finance for the Hawaiian Kingdom under King Kalakaua in 1887. For three separate incumbencies, under the monarchy, the provisional government, and the republic, he administered the financial affairs of Hawaii ably and wisely. Charles Bishop not only served as Collector General of Customs for the Hawaiian Kingdom, but also as a member of the Privy Council and the House of Lords during the reigns of Kamehameha V, Lunalilo, Kalakaua, and Queen Liliuokalani. Under King Lunalilo he served as head of the cabinet and Minister of Foreign Affairs.

Charles Bishop's reputation as a philanthropist and public benefactor is legendary. He was instrumental in the founding of the Bishop Museum and the Kamehameha Schools, through the estate of his wife, Bernice Pauahi. Schools that he had been associated with include the Mid-Pacific Institute, Sacred Hearts Convent, St. Andrew's Priory, and Punahou School. He was president of the Board of Education for twenty-one years, from the time of King Lunalilo to the birth of the Republic. In the field of religion he gave support to the Central Union Church, the Kawaiahao Church, the North Pacific Missionary Institute and the Bishop Memorial Chapel on the campus of the Kamehameha Schools. His support for medical institutions was equally generous, including the Queen's Hospital, the Children's Hospital, Kapiolani Hospital, and the Leahi Hospital.

Bishop's personal philanthropy set the tone and tenor for First Hawaiian's prominence as a corporate benefactor. His personal standards of involvement and excellence have become guidelines to emulate.

As Hawaii has grown, so has the bank. From the days of the whaling ships, to the heyday of sugar and pineapple, through World War II, and into the age of tourism, First Hawaiian Bank has grown from humble beginnings into a major international corporation. While we feel a deep sense of achievement and satisfaction looking back over 125 years of our history, let us not forget the vision and diligence of those men and women who made it all possible, but let us also remember the community in whose service we have come to be what we are.